



City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 19, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET 

SUBJECT: BUDGET MEMO #01: PROPOSED SCHEDULE AND ADD/DELETE PROCESS FOR FY 2020 BUDGET DELIBERATIONS

This memo outlines the proposed schedule for FY 2020 budget deliberations and the add/delete process. This memo includes:

1. The due date for budget questions to receive responses in time for add/delete (**Friday, March 29**).
2. An overview of the add/delete process and timeline, including the deadline for add/delete proposals (**Thursday, April 11**). City Council established the add/delete process rules of engagement in Resolution No. 2858 adopted on December 11, 2018.
3. A timeline with specific dates for public hearings, publication of public notices, work sessions and budget-related legislative or special meetings.

Staff Responses to Council Questions on the Proposed Budget and Capital Improvement Program

All questions from members of Council should be sent to OMB Director Morgan Routt by e-mail or asked at Council meetings or work sessions. Staff's practice is to respond to all questions as soon as feasible. The City Manager may also discuss questions with individual members as needed. The sooner a question is asked, the more likely it is to receive a full and complete answer in time to influence the add/delete process. Depending on the complexity of the question, information requested after Friday, March 29 may be too late for Council members to receive a complete response by Thursday, April 11, the due date for the City Council budget add/delete proposal forms.

Add/Delete Process: The City Council shall follow the process outlined below. This process is compliant with the add/delete process as outlined in City Council adopted Resolution 2858.

1. Continue use of the add/delete spreadsheet that was produced by OMB prior to the FY 2016 budget process and reintroduced in the FY 2017 budget process.
2. A City Council budget proposal form will be required in order to add or delete anything from the City Manager's Proposed Budget. The form will require the following prior to Council consideration:

- Additional information related to how the change advances the Council's goals/priorities.
 - Additional information related to how this change impacts the performance of that program, service or goal.
 - The support of at least 3 of 7 Council members (the original sponsor and two-co sponsors).
 - Must be accompanied by an add/delete spreadsheet prepared by the Council member or OMB in which the sum of the individual Council member's adds and deletes, including items originally sponsored by that member, are in balance or produce a revenue surplus.
 - Notice of any potential add/delete proposal requiring a change to a City Ordinance or requiring a new ordinance must be submitted to staff eight days prior to the first legislative meeting in April in order for the item to be introduced and docketed for the April public hearing [for FY 2020, April 1]
3. The completed City Council budget proposal form must be returned to the Office of Management & Budget (OMB), with each of the steps from #2 above completed, at least 21 days prior to the adoption of the budget [for FY 2020, April 11].
 4. City Council will hold a second budget public hearing to receive feedback on the preliminary add/delete items submitted by City Council Members [for FY 2020, April 13].
 5. A combined list of all City Council budget proposals that meet the criteria in #2, any technical adjustments from OMB, and any City Manager recommended changes, will be provided and discussed at the 2nd Legislative Meeting in April [for FY 2020, April 23].
 6. Council will work with OMB to refine/develop funding figures based on the proposals submitted, to be completed 7 days prior to budget adoption [for FY 2020, April 24].
 7. Completed Council budget proposals, with funding, will be circulated to Council and the public the Friday prior to budget adoption [for FY 2020, April 26].
 8. City Council will be required to keep the budget in balance once all decisions are made.
 9. Budget Adoption will occur on May 1, 2019 with all City Council Budget Proposals, those approved and those not approved, made public upon adoption of the budget.

Council will be required to either increase tax/fee rates or make cuts to other programs to fund their priorities in order to maintain a balanced budget. Budget adoption will occur on May 1, 2019 with all City Council budget proposals, those approved and those not approved, made public upon adoption of the budget.

The City Council budget proposal form is attached to this memo. Please fill out the form electronically (preferred for ease in distributing) or by hand and submit the completed forms to OMB by Thursday, April 11, 2019.

Proposed Schedule

Below is the timeline recommended by staff for the FY 2020 budget approval process, based on the budget calendar recently adopted by City Council. The timeline includes the actions required by statute to be taken by certain dates for adopting the real estate and personal property tax ordinances.

Other considerations that shaped this schedule include:

- The budget public hearing is to be held Monday, March 11, 2019 at 4:00 pm. This schedule allows Council to have public input from the hearing available to it before it establishes a maximum real estate tax rate to advertise on Tuesday, March 12, 2019.
- City Council should decide the maximum possible real estate tax rate to advertise 30 days before a public hearing on that rate is held. Such a public hearing is scheduled for Saturday, April 13, 2019. **Therefore, Council must make this maximum real estate tax rate determination during a regularly scheduled legislative meeting on Tuesday, March 12, 2019.** The same schedule applies to the personal property tax rate.

FY 2020 BUDGET WORK SESSION AND HEARING SCHEDULE ACTION DATES

Tuesday, February 19, 2019	Proposed Budget Presentation and Work Session #1: Revenues City Hall (301 King St.), City Council Chambers (7:00 PM)
Wednesday, February 27, 2019	Work Session #2: Capital Improvement Program (CIP) City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Thursday, February 28, 2019	Public Budget Presentation Charles Houston Recreation Center (901 Wythe St.) (7:30 PM)
Wednesday, March 6, 2019	Work Session #3: Alexandria City Public Schools ACPS Central Office (1340 Braddock Place), Board Room (7:00 PM)
Monday, March 11, 2019	Budget Public Hearing City Hall (301 King St.), City Council Chambers (4:00 PM)
Tuesday, March 12, 2019	Set the Maximum Property Tax Rates City Hall (301 King St.), City Council Chambers (6:00 PM)
Wednesday, March 13, 2019	Work Session #4: Economic Sustainability (Livable, Green, and Prospering City Focus Area) City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Wednesday, March 20, 2019	Work Session #5: Environmental Sustainability (Livable, Green, and Prospering City) City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Wednesday, March 27, 2019	Work Session #6: Accountable, Effective, & Well-Managed Government City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Wednesday, April 3, 2019	Work Session #7: Safe, Secure and Just Community Focus Area and Healthy & Thriving Residents Focus Area City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Monday, April 8, 2019	Work Session #8: BFAAC / Follow-up Topics City Hall (301 King St.), Sister Cities Room #1101 (7:00 PM)
Saturday, April 13, 2019	Tax Rate Public Hearing and 2nd Budget Public Hearing City Hall (301 King St.), City Council Chambers (9:30 AM)

Tuesday, April 23, 2019	Work Session #9: Preliminary Add/Delete City Hall (301 King St.), City Council Chambers (6:00 PM)
Monday, April 29, 2019	Work Session #10: Final Add/Delete City Hall (301 King St.), City Council Chambers (7:00 PM)
Wednesday, May 1, 2019	Budget Adoption City Hall (301 King St.), City Council Chambers (7:00 PM)

ATTACHMENTS:

Attachment 1 – City Council Budget Proposal Form

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

CITY COUNCIL SPONSOR:

CO-SPONSOR:

<input type="checkbox"/> Mayor Wilson	<input type="checkbox"/> Councilman Aguirre	<input type="checkbox"/> Councilwoman Pepper
<input type="checkbox"/> Vice Mayor Bennett-Parker	<input type="checkbox"/> Councilman Chapman	<input type="checkbox"/> Councilman Seifeldin
	<input type="checkbox"/> Councilwoman Jackson	

REQUESTED CHANGE AFFECTS:

<input type="checkbox"/> OPERATING	<input type="checkbox"/> CAPITAL	<input type="checkbox"/> BOTH
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ADD/DELETE

☐ ADD

☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)					
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?					
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?					
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add)		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 13, 2019

Question:

What are the possibilities of advocating for more local authority in regards to city revenue generation? What are our options in terms of a potential progressive tax, income tax or other revenue generation? (Councilman Aguirre)

Response:

Increased local taxing authority is highly desirable to bolster the long term fiscal viability of the City and other Virginia municipalities. Virginia local tax authority is based on a 19th and early 20th Century property based farming and industrial economy and not a 21st Century service economy. For example, Virginia localities should have access to the State income tax as do Maryland localities. Also, the State sales tax does not tax the service economy which now represents a far larger segment of consumer purchases, than it did when the sales tax was created as a “goods” consumer tax.

In response to advocating for more local authority in regards to City revenue generation, Virginia is a “Dillon Rule” state. The Dillon Rule, which the Virginia Supreme Court adopted in 1896, is a legal principle that local governments have limited authority and can pass ordinances only in areas where the General Assembly has granted clear authority.

In addition, any proposals that advocate for local taxing authority that is specific to Alexandria would be considered “special legislation” and requires a supermajority 2/3 vote of each house of the General Assembly to pass. As a result, even if the General Assembly majority parties change in 2019 and a less anti-tax political atmosphere occurs, any expansion of local taxing authority would likely need to be applicable to all Virginia cities and/or counties with statewide applicability of any increased local taxing authority. In order for that to occur, there would need to be a statewide coalition/interest to press the General Assembly for increased taxing authority.

Any additional local taxing, such as a progressive or income tax, authority might come with the requirement of a local referendum, as was the case in the 1980’s when a local income tax for transportation and education was authorized, but by local referendum only. No locality initiated the regional referendum as it was assumed that such referendum would result in a “no” vote.

The City’s legislative delegation is scheduled to attend the April 9, 2019 City Council Legislative Meeting to discuss this year’s General Assembly session. Proposals for next year’s legislative agenda will be due in August so that a draft legislative package can be presented in October and a public hearing held in November. Staff recommends that Council request the Budget and Fiscal Affairs Advisory Committee (BFAAC) to prepare a report on potential tax revenue initiatives by the end of September. Council then could decide what new revenue initiatives to include in its legislative package.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

The target number of counseling sessions (500) for start-up small businesses through SBDC is significantly higher than the 2019 estimate of 215 and the 2018 actual of 194. How was this target set? Does staff have adequate time to conduct these sessions? Or are there not as many small businesses approaching SBDC for counseling? Do we know why there was a drop from 549 sessions in 2017 to 194 in 2018 - were there changes in staffing or outreach? (Vice Mayor Bennett-Parker)

Response:

The reason for the significantly higher levels of startup counseling sessions in FY 2016 and 2017 (416 and 549) is because the data reflected counseling sessions provided by the SBDC and Capitol Post, the business and personal incubator for military veterans and their spouses that is co-located with the AEDP and SBDC. Capitol Post is now a standalone 501(c)3 nonprofit. However, when the organization was first formed it was initially envisioned to be a component of the SBDC's small business development programming (Capitol Post does not receive city funding and is funded predominately by a federal grant that AEDP administers along with private fundraising). As a result, we included counseling sessions provided by Capitol Post staff in our performance metrics until the organization became standalone, at which time we discontinued the practice of counting their sessions in the SBDC's metrics. This is why the actual number of startup session decreased from FY 2017 to FY 2018.

The FY 2018 actuals are closer to the typical level of startup counseling sessions provided by the SBDC annually. In fact, the SBDC has provided 256 startup sessions through the first 9 months of this fiscal year which is above the FY 2019 target of 215. The SBDC and OMB have agreed to change the target of 500 to 275 to better reflect the typical number of sessions provided each year based on current budget levels and the background provided above. This change will be reflected in the FY 2020 Approved Operating Budget document.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 11, 2019

Question:

How much do we charge when an owner or developer wants to demolish their property? How much revenue came to us in each of the last years through these fees? What amounts do Arlington and Fairfax charge? (Councilman Chapman)

Response:

The following are the City's fees for demolition permits:

- Residential accessory building or detached garage - \$85.00
- Residential structure or non-residential accessory structure - \$150.00
- Non-residential structures - \$250.00
- Residential or Non-Residential Interior Demolition – Minimum Fee \$112.37
- A bond is also taken at \$1 per square foot of the building, which is returned once the building is demolished and the permit receives a final inspection
- \$125 per month for sidewalk closure
- \$30 per day per reserved parking spot

The City has collected \$35,000 in revenue over the past five years. Receipts are deposited to the permit fee special revenue fund for the purpose of covering the cost of plan review and inspections. This revenue has no impact on the General Fund.

Alexandria offers the lowest fee for interior demolition by charging the minimum fee of \$112.37. The Alexandria non-residential/commercial demolition fee is approximately 17% higher than Arlington County and 131% higher than Fairfax County. In addition, Alexandria offers more fee options.

The following tables compare the City's fee rates and structure to Arlington and Fairfax Counties:

Arlington County (2018 Fee Schedule)	
<u>Demolition</u>	<u>FEE</u>
Building or Structure	\$213.00
Interior demolition that does not involve any changes to structural or fire-rated assemblies	\$213.00

Fairfax County (2018 Fee Schedule)	
<u>Demolition</u>	<u>FEE</u>
Building or Structure	\$108.00
Partial Demolition for renovation: The fee for a permit to partially demolish a structure in preparation for renovation	2.40 % of Estimated Demo Cost

Alexandria City (2017 Fee Schedule)	
<u>Demolition</u>	<u>FEE</u>
Residential accessory building or detached garage	\$85.00
Residential structure or non-residential accessory structure	\$150.00
Non-residential structures	\$250.00
Residential or Non-Residential Interior Demolition	Minimum Fee (\$112.37)

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 12, 2019

Question:

How much does the City spend on street maintenance? (Councilman Seifeldein)

Response:

The City is responsible for maintaining over 560 lane miles of roadway Citywide. The FY 2019 approved budget included \$3,210,050 in operating funds for general street maintenance and \$5,260,000 for street reconstruction and resurfacing. In FY 2018, the City spent \$7,639,774 on street maintenance, which included \$3,308,461 from the operating budget and \$4,331,313 from the capital budget. These expenditures are exclusive of improvements from Complete Streets, signage/signals/markings and sidewalk maintenance. The City receives assistance for operating and capital expenditures from the Virginia Department of Transportation (VDOT). In FY 2018, the City received \$1M in awarded Primary Extension grant from VDOT for capital paving.

For a summary of the relationship between street, sidewalk and complete streets funding in the FY 2020 budget, please see Appendix E on page 19.15 of the Proposed FY 2020 - 2029 Capital Improvement Program.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 11, 2019

Question: How we can produce a “budget simulation” similar to those developed in Akron, Ohio; Peoria, Illinois; and Montgomery County, Maryland? (Councilman Chapman)

Response: There are private companies that develop a standardized budget simulation package for local governments. As with most off-the-shelf software, there are typically additional charges for enhanced customization. Montgomery County, MD and Akron, OH are contracting with a company to provide those services. The estimated cost based on Montgomery County’s experience is \$10,000 for the software and 40-50 hours of staff time to coordinate the implementation as well as additional staff time to assist with data importation, content development, testing, and public outreach. ITS would need to review and approve any software and determine what if any resources would be required to support it. Montgomery County’s budget simulator is no longer available on their website, however pages 23 to 26 of the following link show what it looked like.

https://www.montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy20/FY20_OperatingBudgetForumBriefing.pdf

Over the course of the budget process, OMB has received interest in a variety of budgeting approaches such as online simulators, adapting the resident survey, continuing priority-based budgeting, developing multi-year budgeting, extending the duration of the budget cycle, and increasing civic engagement. Staff recommends using the FY 2020 budget debrief to define the outcomes most desired by Council and the community, develop a set of strategies for achieving them, and identify the resources necessary for their implementation.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 19, 2019

Question:

What are the benefits to implementing a legal representation program for Alexandria residents facing deportation? If Council approves such measure, how would it be implemented (awarding contract?) If any close jurisdiction implemented a similar measure, how has it fared? (Councilman Seifeldein)

Response:

Benefits to Implementing a Legal Representation Program for Alexandria Residents Facing Deportation

Under this program, if funded by City Council, Alexandria residents facing deportation would benefit from legal representation: increasing their chances of success in Federal Court of not being deported and in remaining in the US legally; educating them about their rights and about services available to them; and enabling them to work, pay taxes, and keep their families together.

Protecting Due Process Rights

The US Supreme Court in *Plyer v. Doe*, 457 U.S. 202 (1982) recognized that the Due Process Clause applies to “all ‘persons’ within the United States, including aliens,” and regardless of status.

Certain rights should apply to all human beings by virtue of their humanity, regardless of their status or citizenship. (David Cole, *The Idea of Humanity: Human Rights and Immigrants’ Rights*, 37 Colum. Hum. Rts. L. Rev. 627 (2006) and Universal Declaration of Human Rights December 10, 1948). This principle stands as a guide for local government to adopt ordinances, pass resolutions, set policies, or avoid laws to assure that immigrants are afforded all protections found in the US Constitution, Supreme Court case law and international treaties.

A number of cities and counties in the US have successfully implemented a Universal Representation model in their communities, focusing on due process rights for immigrants to deter legal challenges. However, this approach is not without susceptibility to legal challenge based upon federal or state law. A prior memorandum from the City Attorney on this subject was sent to City Council last month. The City Manager and staff have reviewed the City Attorney’s memo and have consulted with the City Attorney and are comfortable recommending that City Council move forward with this proposal.

Promoting an Inclusive Community

The 1st and 14th Amendments can be used to create initiatives that protect immigrant communities and promote “immigrant community integration” in Dillon Rule states, where local government actions are strictly limited to the powers conferred on them by state legislation. Implementing this program will foster community integration of immigrants in Alexandria, which benefits all residents by promoting public safety, preserving families and contributing to a stronger economy.

National League of Cities (NLC) promotes initiatives in cities; such as, establishing advisory committees to work with communities to promote a spirit of collaboration and understanding within their immigrant populations.

If Council approves such a measure, how would it be implemented (awarding contract)?

To be consistent with how human services grants are awarded, the City would perform its due diligence in selecting a non-profit legal services provider through a competitive solicitation.

If any close jurisdiction implemented a similar measure, how has it fared?

Arlington County has had a similar program and appropriated \$100,000 in FY 2018 for legal representation of undocumented immigrants. Funding was provided in FY 2018 and FY 2019 to a Northern Virginia non-profit that provides these legal services. Arlington reported that it issued a Request for Proposal (RFP) and selected the non-profit vendor because “they do a really great job.” Although the funds were to be cut in the current budget process, \$40,000 was restored in the proposed FY2020 budget. Arlington is subject to the same state and federal codes as Alexandria. There have been no legal challenges to Arlington County’s program.

The Fairfax County Board of Supervisors voted in late January to move forward on potentially funding a \$200,000 pilot program in its FY 2020 budget for universal representation in Fairfax County. The pilot program would fund qualified non-profits to provide direct representation to Fairfax County residents who are immigrants, in deportation proceedings, and who cannot otherwise afford counsel—including long-time lawful permanent residents, Deferred Action for Childhood Arrival recipients, and Temporary Protected Status holders. The \$200,000 pilot program it funded would provide full legal representation to nearly two dozen detained Fairfax residents at risk of detention; and provide legal rights and education to the public in all ten country districts. Fairfax’s funding determination will be made as part of its normal budget process.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 12, 2019

Question: Can you provide the fiscal impact of shifting RPCA Out of School Time Programs and Summer Camp programs from Tier 2 to Tier 3 in the City's Cost Recovery Model? Please assume a corresponding increase in fee assistance in this response (Mayor Wilson).

Compare the programmatic features of Campagna Center to Recreation Centers for Out of School Time childcare (City Manager Jinks).

Response:

Question 1: Fiscal Impact of Shifting RPCA Programs from Tier 2 to Tier 3.

The proposed FY 2020 school year fee (\$475) with no discounts and full enrollment would generate \$674,500, which achieves the cost recovery minimum target of 50% in Tier 3. However, including the current 22% of fee assistance discounts reduces revenue by \$148,390 or total revenue to \$526,110 or 40% cost recovery, which qualifies this program in total as a Tier 2 program. Assuming the same number of participants, the fee would need to be raised from \$475 to \$600 per year to compensate for fee assistance discounts in order for the program's total costs to meet the minimum target of 50% in Tier 3; to reach a maximum of 100% and to compensate for discounts, the fee would have to be raised to \$1,175 per year. If Council wishes to raise the fee level substantially, it may want to consider a multi-year phase-in of the higher fee.

Question 2: Compare the programmatic features of Campagna Center to Recreation Centers for Out of School Time Childcare.

The table in Attachment 1 compares the programmatic features of the Campagna Kids Before and After School and Power-On Out of School Time programs.

Attachments

Attachment 1 – Comparison of the programmatic features of the Campagna Kids Before and After School and Power-On Out of School Time programs

Attachment 2 – RPCA Out of School Time 2018-2019 School Year Fee

Attachment 3 – Campagna Kids 2018-2019 School Year Fee Scale

Attachment 4 – After School Comparison Tables Supporting Attachments

Question 2: Compare the programmatic features of Campagna Center to Recreation Centers for Out of School Time Childcare.

The following table compares the programmatic features of the Campagna Kids Before and After School and Power-On Out of School Time programs.

	Campagna Kids Before & After School Program	Power-On Out of School Time After School Program
Total Program Costs (Direct/ Indirect)	<ul style="list-style-type: none"> • Direct Costs: \$3,855,880 • In-kind Space: \$900,270 • Indirect Costs: \$545,216 	<ul style="list-style-type: none"> • Direct Costs: \$1,311,801 • Indirect Costs: \$275,478
FY 2020 Budgeted City Contribution	<ul style="list-style-type: none"> • \$1,760,223 	<ul style="list-style-type: none"> • \$1,587,279 (fully budgeted with anticipated cost recovery) • \$1,061,169 Net General Fund impact
Financing (% City Fund, % Participant Funded, % Other Funding Sources)	<ul style="list-style-type: none"> • City Funding: \$1,719,104 (32%) • Participant/Parent Funds: \$2,278,257 (43%) • Other Funding (8%) <ul style="list-style-type: none"> - \$302,000 –State Child Care Subsidy - \$101,735- Child and Adult Care Food Program (CACFP) • In-kind space: \$900,270 (17%) 	<ul style="list-style-type: none"> • City Funding: 69% • Participant/Parent Funds: 40% <ul style="list-style-type: none"> - Participant (based on fee set for direct costs per Resource Recovery Policy, 33% with indirect costs) • VDOE (USDA) Grant: \$142,000 <ul style="list-style-type: none"> - Budgeted separately with no GF impact (provides after school snacks free of charge to program participants based on overall school system 58% free/reduced school meals)
Number of Participants (# Enrolled/ #Waitlisted)	<ul style="list-style-type: none"> • 891 (number of students that have attended during the 2018-2019 School Year) 	<ul style="list-style-type: none"> • 1,297 - 2018-2019 School Year (42 Waitlist) • 1,420 Projected 2019-2020 School Year
Oversight Entity (i.e., City or State)	<ul style="list-style-type: none"> • Alexandria Department of Community and Human Services (City) • Virginia Department of Social Services (State) 	<ul style="list-style-type: none"> • City • OSTP Local Standards approved by City Attorney's office in 2012 (refer to Attachment 3 for details) • Staff conduct and behavior is subject to all City of Alexandria Administrative Regulations • Department of Community and Human Services - staff are Mandatory Reporters for suspected child abuse or neglect • Virginia Department of Education - oversight for USDA Special Nutrition Programs
Staffing Ratio	<ul style="list-style-type: none"> • 1:12 (per NAA standards) 	Staffing level based on enrollment by age group: <ul style="list-style-type: none"> • 1:20 (5-6 years) • 1:25 (7-12 years)

	Campagna Kids Before & After School Program	Power-On Out of School Time After School Program
Licensing Requirements (# of sites per program)	<ul style="list-style-type: none"> • Campagna Kids is a licensed program accountable to state regulations for program operations. The Virginia Department of Social Services licenses child day centers and enforces the standards through announced and unannounced visits, and technical assistance. • The State Board of Social Service has authority for the following set of standards for centers serving children under the age of 13 who are separated from their parents or guardians during a part of the day (refer to Attachment 3 for details). • Please see attached PDF for the State of Virginia Licensing Standards for Child Day Programs (link is also provided) http://dss.virginia.gov/facility/child_care/licensed/child_day_centers/index.cgi 	No
Accreditation Requirements (# of sites per program)	<ul style="list-style-type: none"> • An existing cooperative agreement with the City requires the program to meet standards as outlined by the National Afterschool Association, which has delegated the Council on Accreditation as the accrediting body (refer to Attachment 3 for details). • Please see attached PDF for a copy of the Standards for Child and Youth Development Programs (link is also provided) http://coanet.org/standards/standards-for-child-and-youth-development-programs 	No
Staffing Training/Credentialing Requirements	<ul style="list-style-type: none"> • All staff are required to complete 10 hours of training prior to employment as defined by the Virginia Department of Social Services • Group Leaders and Assistant Group Leaders complete 18 hours of training each year on a variety of topics including foundations of child development and approaches to learning, recognition and report child abuse and neglect, inclusion, serving children with special needs, and safe spaces, among other topics as mandated • Site Director and Assistant Directors receive 24 hours of training each year • Managers hold a Food Service Management Certification • All staff undergo Daily Child Health Observation Training 	<ul style="list-style-type: none"> • FT Coordinators, college degree and/or college level courses and progressively responsible related experience • Recreation Leaders I and II, HS diploma plus related experience • Recreation Leaders III, some college plus several years' experience • 12 hours per year training requirement for OSTP staff related to best practices i.e. child abuse and neglect, playground safety, game development, supervision, children with special needs, behavior management • 2 Division mandatory training sessions for all OSTP staff - Winter and Summer • First Aid/AED/CPR epi-pen certification

	Campagna Kids Before & After School Program	Power-On Out of School Time After School Program
	<ul style="list-style-type: none"> • Staff members are trained and certified to provide medication to children enrolled in our program. All Site Managers have training in Virginia Medication Administration, Diabetes, EpiPen/Auvi-Q, and Rectal Medication Training/Certification • All Campagna Kids staff are certified in first-aid and CPR (per VA State licensing standards) 	<ul style="list-style-type: none"> • Restorative Practices/Positive Behavior Interventions – ACPS • Annual USDA Special Nutrition Programs training
Operating Hours	<ul style="list-style-type: none"> • Morning Care (Samuel Tucker and James K. Polk) Monday-Friday, 7:00am-8:00am • After Care Monday-Friday, 2:30pm-6:00pm • Winter, Spring and Summer Camps Full Day Programs, 7:00am-6:00 pm 	<ul style="list-style-type: none"> • Monday-Friday 2:30-6:00pm; 9:00am-6:00pm (school holidays and vacation breaks)
Joint and/or Individual Site Locations	Shared Sites <ul style="list-style-type: none"> • Douglass MacArthur • Mt. Vernon • John Adams • Patrick Henry 	Charles Barrett, Charles Houston, Leonard Armstrong, Mt. Vernon, Patrick Henry, and William Ramsay Recreation Centers; MacArthur, John Adams, and F. T. Day Schools
Transportation	<ul style="list-style-type: none"> • Children are served at their home school. • Parents attending the schools below may request transportation from ACPS (Charles Barrett, Ferdinand T. Day, and Cora Kelly) 	<ul style="list-style-type: none"> • All RPCA sites except Charles Houston are attached to schools and most participants come directly to the program from the school. • 22% of youth (291 children in 2018-19 school year) not enrolled in their home school due to capacity/choice/or no home school option are bused by ACPS to alternate sites; parent/guardian pick-up at end of day.
Programming Options (Academic enrichment, specialty programs, multipurpose activities)	Academic Enrichment Programs <i>(Provided by ACPS Teachers/Para Professionals):</i> <ul style="list-style-type: none"> • Homework Assistance • Math Skill Building – KidzMath Curriculum • Reading Skill Building – KidzLit Curriculum Educational Enrichment Programs S.T.E.M. Classes <ul style="list-style-type: none"> • 3D Printing • Lego Robotics • Science – KidzScience Curriculum 	Enrichment - Academic, Cultural <ul style="list-style-type: none"> • Homework Help • 4-H Project clubs – nutrition, STEM, environmental education • Collaborations with libraries, service groups, High Schools, Sororities for reading and other learning opportunities • Cultural celebrations/events Physical Fitness <ul style="list-style-type: none"> • Power Play exercise/sports/group play program • Power Swim - learn to swim/water safety offered in Spring at Chinquapin • Sports programs - basketball, flag football, nerf the turf, soccer

	Campagna Kids Before & After School Program	Power-On Out of School Time After School Program
	<p>Creative and Performing Arts Classes</p> <ul style="list-style-type: none"> • Musical Theatre • Creative Drama • Keyboarding • Guitar/Ukulele • Dance • Intro to DJ'ing • Videography • Sewing • Puppetry • Painting and Pottery • Art, Sketching and Illustration <p>Sports, Movement and Games</p> <ul style="list-style-type: none"> • Chess Classes, Yoga, Basketball, Flag Football, Soccer, Sports Exploration, and Double Dutch and Jump Ropes <p>The following Enrichments allow children to join a program wide team that competes or performs on the weekends:</p> <ul style="list-style-type: none"> • Chess – 7 time 1st place winner in National Chess Federation local tournaments • Musical Theatre – Children have performed two Broadway JR. Musicals (Suesical Jr. and Aladdin Jr.) • Lego Robotics – 4 CK sites competed in local First Lego League Competition • Summer Camps – The Campagna Kids Signature Summer Camp program includes weekly field trips, swimming, enrichments and more. In addition to our Signature Camp program, parents may also choose to enroll their child in a Summer Enrichment Academy (Specialty Camp). <p>Performing Arts Academy Specializations: Musical Theatre, Dance, Instrumental Music</p> <p>Arts and Tech Academy</p>	<p>Creative and performing Arts</p> <ul style="list-style-type: none"> • Regularly scheduled arts and crafts activities • Dance, movement programs • Performing Arts - Night of the Stars group preparation and performance • Youth Arts Festival – group preparation and visual arts display pieces, performances • Partnerships – i.e. Upcycle, Momentum Collective <p>Multipurpose recreational activities</p> <p>Field Trips</p>

	Campagna Kids Before & After School Program	Power-On Out of School Time After School Program
	<p>Specializations: Fashion Design, Robotics and Tech, Video Production, and Extreme Art</p> <p>Kids Choice Activity Centers</p> <ul style="list-style-type: none"> • Arts and Crafts, Blocks and Legos, Dramatic Play, Science, Table Games, Group Games and Relays, and Reading 	
Participant Fee Scales	<ul style="list-style-type: none"> • <i>2018-2019 School Year Monthly Before & After Care Sliding Fee Scale</i> (refer to Attachment 2 for details) 	<ul style="list-style-type: none"> • Full School Year: \$475 (refer to Attachment 1 for details) • Fee Assistance - standard discounts are 40% for documented free/reduced school meals, 50% SNAP, 70% TANF

Department of Recreation, Parks and Cultural Activities

FY 2020 Fee Schedule - Proposed

RPCA Out of School Time Program Fees				
	School Year Cost	Discount Percentage	Discount Amount	Payment Amount
Registration Fee	\$ 475.00	0%	\$ -	\$ 475.00
Free or Reduced Lunch	\$ 475.00	40%	\$ 190.00	\$ 285.00
SNAP	\$ 475.00	50%	\$ 237.50	\$ 237.50
TANF	\$ 475.00	70%	\$ 332.50	\$ 142.50



**2018-2019 School Year
Monthly Before & After Care Sliding Fee Scale**

ANNUAL INCOME	BEFORE SCHOOL PROGRAM		AFTER SCHOOL PROGRAM		BEFORE & AFTER COMBINED	
	1st Child	Each additional child	1st Child	Each additional child	1st Child	Each additional child
\$12,000 & Under	\$ 13	\$ 5	\$ 23	\$ 13	\$ 36	\$ 18
\$12,001 - \$14,000	\$ 16	\$ 7	\$ 36	\$ 18	\$ 52	\$ 25
\$14,001 - \$17,000	\$ 23	\$ 13	\$ 69	\$ 36	\$ 92	\$ 49
\$17,001 - \$22,000	\$ 32	\$ 17	\$ 92	\$ 46	\$ 124	\$ 63
\$22,001 - \$27,000	\$ 46	\$ 23	\$ 121	\$ 62	\$ 167	\$ 85
\$27,001 - \$33,000	\$ 61	\$ 32	\$ 156	\$ 77	\$ 217	\$ 109
\$33,001 - \$40,000	\$ 87	\$ 43	\$ 190	\$ 94	\$ 277	\$ 137
\$40,001 - \$48,000	\$ 98	\$ 49	\$ 228	\$ 113	\$ 326	\$ 162
\$48,001 - \$57,000	\$ 110	\$ 56	\$ 267	\$ 134	\$ 377	\$ 190
\$57,001 - \$67,000	\$ 133	\$ 66	\$ 302	\$ 152	\$ 435	\$ 218
\$67,001 - \$80,000	\$ 139	\$ 69	\$ 337	\$ 170	\$ 476	\$ 239
\$80,001 - \$100,000	\$ 156	\$ 79	\$ 366	\$ 182	\$ 522	\$ 261
\$100,001 - \$ 125,000	\$ 162	\$ 82	\$ 384	\$ 191	\$ 546	\$ 273
\$125,001 - \$140,000	\$ 168	\$ 84	\$ 395	\$ 198	\$ 563	\$ 282
\$140,001 - \$165,000	\$ 174	\$ 87	\$ 407	\$ 204	\$ 581	\$ 291
\$165,001 & above	\$ 180	\$ 89	\$ 425	\$ 213	\$ 605	\$ 302

Campagna Kids Before & After School Program & Power-On Out of School Time After School Program Supporting Information

1. Power-On Out of School Time After School Program

a. Oversight Entity (i.e., City or State)

- OSTP Local Standards approved by City Attorney's office in 2012
 - Program Description
 - Organizational Structure
 - Job Descriptions
 - Class Specs & Qualifications
 - Staff Records
 - Staff Training
 - Volunteer requirements
 - Drop-off/Pick-up
 - Children's Records
 - Parental Agreements
 - Medication
 - Program Housing
 - Proper Attire
 - Playgrounds
 - Staff Supervision
 - Daily Programming
 - Behavioral Guidance
 - Sick Children/Injuries
 - First Aid/CPR
 - Emergency Procedures
 - Food
 - Suspected Child Abuse
 - Special Activities/Fee Programs
 - Field Trips and Transportation
 - Swimming and Sun Screen

2. Campagna Kids Before & After School Program

a. Licensing Requirements (# of sites per program)

- The State Board of Social Service has authority for the following set of standards for centers serving children under the age of 13 who are separated from their parents or guardians during a part of the day:
- **ADMINISTRATION**
 - 22 VAC 40-185-40 Operational responsibilities
 - 22 VAC 40-185-50 General recordkeeping; reports
 - 22 VAC 40-185-60 Children's records
 - 22 VAC 40-185-70 Staff records
 - 22 VAC 40-185-80 Attendance records; reports
 - 22 VAC 40-185-90 Parental agreements
 - 22 VAC 40-185-100 Enrollment procedures of therapeutic child day programs and special needs child day programs
 - 22 VAC 40-185-110 Individual assessment for therapeutic child day programs
 - 22 VAC 40-185-120 Individual service, education or treatment plan for therapeutic child day programs
 - 22 VAC 40-185-130 Immunizations for children
 - 22 VAC 40-185-140 Physical examinations for children
 - 22 VAC 40-185-150 Form and content of immunizations and physical

Campagna Kids Before & After School Program & Power-On Out of School Time After School Program Supporting Information

- examination reports for children
- 22 VAC 40-185-160 Tuberculosis screening for staff and independent contractors
- 22 VAC 40-185-170 Physical and mental health of staff and volunteers
- **STAFF QUALIFICATIONS AND TRAINING**
 - 22 VAC 40-185-180 General qualifications
 - 22 VAC 40-185-190 Program director qualifications
 - 22 VAC 40-185-200 Program directors and back-up for program directors
 - 22 VAC 40-185-210 Program leader qualifications
 - 22 VAC 40-185-220 Aides
 - 22 VAC 40-185-230 Independent contractors; volunteers
 - 22 VAC 40-185-240 Staff training and development
- **PHYSICAL PLANT**
 - 22 VAC 40-185-250 Approval from other agencies; requirements prior to initial licensure
 - 22 VAC 40-185-260 Approval from other agencies; requirements subsequent to initial licensure
 - 22 VAC 40-185-270 Building maintenance
 - 22 VAC 40-185-280 Hazardous substances and other harmful agents
 - 22 VAC 40-185-290 General physical plant requirements for centers serving children of preschool age or younger
 - 22 VAC 40-185-300 General physical plant requirements for centers serving school age children
 - 22 VAC 40-185-310 Areas
 - 22 VAC 40-185-320 Restroom areas and furnishings
 - 22 VAC 40-185-330 Play areas
- **STAFFING AND SUPERVISION**
 - 22 VAC 40-185-340 Supervision of children
 - 22 VAC 40-185-350 Staff-to-children ratio requirements
- **PROGRAMS**
 - 22 VAC 40-185-360 Daily activities
 - 22 VAC 40-185-370 Daily activities for infants
 - 22 VAC 40-185-380 Daily activities for toddlers and preschoolers
 - 22 VAC 40-185-390 Daily activities for school age children
 - 22 VAC 40-185-400 Behavioral guidance
 - 22 VAC 40-185-410 Forbidden actions
 - 22 VAC 40-185-420 Parental involvement
 - 22 VAC 40-185-430 Equipment and materials
 - 22 VAC 40-185-440 Cribs, cots, rest mats, and beds
 - 22 VAC 40-185-450 Linens
 - 22 VAC 40-185-460 Swimming and wading activities; staff and supervision
 - 22 VAC 40-185-470 Pools and equipment
 - 22 VAC 40-185-480 Swimming and wading; general
- **SPECIAL CARE PROVISIONS AND EMERGENCIES**
 - 22 VAC 40-185-490 Preventing the spread of disease
 - 22 VAC 40-185-500 Hand washing and toileting procedures
 - 22 VAC 40-185-510 Medication
 - 22 VAC 40-185-520 Over-the-counter skin products

Campagna Kids Before & After School Program & Power-On Out of School Time After School Program Supporting Information

- 22 VAC 40-185-530 First aid training, cardiopulmonary resuscitation (CPR) and rescue breathing
- 22 VAC 40-185-540 First aid and emergency supplies
- 22 VAC 40-185-550 Procedures for emergencies
- b. Accreditation Requirements (# of sites per program)**
 - An existing cooperative agreement with the City requires the program to meet standards as outlined by the National Afterschool Association, which has delegated the Council on Accreditation as the accrediting body. The following areas of compliance must be met:
 - **Human Resources**
 - [CYD-HR 1 - Planning, Recruitment, and Selection](#)
 - [CYD-HR 2 - Background Checks](#)
 - [CYD-HR 3 - Personnel Qualifications: Out-of-School Time](#)
 - [CYD-HR 4 - Personnel Qualifications: Early Childhood Education](#)
 - [CYD-HR 5 - Initial Orientation and Training](#)
 - [CYD-HR 6 - Ongoing Training and Professional Development](#)
 - [CYD-HR 7 - Supervision and Performance Review](#)
 - [CYD-HR 8 - Satisfaction and Retention](#)
 - [CYD-HR 9 - Personnel Records](#)
 - [CYD-HR 10 - Volunteers](#)
 - **Program Administration**
 - [CYD-AM 1 - Authorization to Operate](#)
 - [CYD-AM 2 - Program Guidance and Oversight](#)
 - [CYD-AM 3 - Mission and Long-Term Planning](#)
 - [CYD-AM 4 - Legal and Regulatory Compliance](#)
 - [CYD-AM 5 - Ethical Practices](#)
 - [CYD-AM 6 - Research Protections](#)
 - [CYD-AM 7 - Financial Planning and Management](#)
 - [CYD-AM 8 - Risk Prevention and Management](#)
 - [CYD-AM 9 - Information Management and Security](#)
 - [CYD-AM 10 - Files of Children and Youth](#)
 - [CYD-AM 11 - Continuous Quality Improvement](#)
 - **Service Standards**
 - [CYD-OST 1 - Program Access and Enrollment](#)
 - [CYD-OST 2 - Program Climate](#)
 - [CYD-OST 3 - Building Supportive Relationships Between Program Participants and Adults](#)
 - [CYD-OST 4 - Promoting Positive Behaviors and Healthy Peer Relationships](#)
 - [CYD-OST 5 - Positive Approaches to Guiding Behavior](#)
 - [CYD-OST 6 - Family Connections](#)
 - [CYD-OST 7 - Community Relationships and Partnerships](#)
 - [CYD-OST 8 - Programming and Activities](#)
 - [CYD-OST 9 - Indoor Environment and Materials](#)
 - [CYD-OST 10 - Outdoor Environment and Materials](#)
 - [CYD-OST 11 - Health](#)
 - [CYD-OST 12 - Safety](#)
 - [CYD-OST 13 - Supervision](#)
 - [CYD-OST 14 - Protecting the Rights of Children and Youth and their Families](#)

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 12, 2019

Question:

How much does it cost to do additional miles of street paving? (Councilman Chapman)

Response:

The proposed FY 2020 budget includes \$5.5 million or 55 miles of street paving/reconstruction. This is an increase of 140% from six years ago. The City has a total of 560 lane miles of which it is responsible for operating, maintenance and capital reconstruction. Based on current contract pricing for increments above that, T&ES staff estimate approximately \$100,000 per lane mile for major street resurfacing. This includes any required concrete curb and gutter repair, traffic control, and related striping post resurfacing. If significant base failures are found during resurfacing the cost could increase by as much as 25% or \$125,000 per lane mile.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 29, 2019

Question:

If we aligned our parking garages hourly rate to the market, what would it be per hour? And how much additional revenue would that bring in?

Response:

Currently, City parking garages located at Market Square, Courthouse, Thompson's Alley, and Union Street charge \$2.50 per hour with a daily maximum of \$10.00 and evening/weekend maximum of \$5.00. Other garages in Old Town, detailed in Attachment I, have rates that range between \$5.00 and \$9.00 per hour with daily maximums between \$7.00 and \$25.00.

FY 2018 annual revenue and utilization for parking garage daily use is detailed below:

FY 2018 Revenue & Utilization by City Garage					
	Court House	Market Square	Thompson's Alley	Union Street	TOTAL
Daily Parking Revenue	\$507,037	\$500,071	\$139,658	\$421,945	\$1,568,711
Daily Parking Utilization	81,458	99,573	22,581	70,237	237,849

(source: FY 2018 Rate Survey)

Using FY 2018 utilization and assuming that 15% of the daily parking utilization is for one hour with no change to the daily or evening/weekend maximum, increasing the hourly rate from \$2.50 to \$5.00 per hour would result in an additional \$80,2734 in revenue per year (\$89,193 offset by an anticipated 10% loss of utilization due to the rate increase) and will more closely align the hourly rate charged at City-owned parking facilities with the average hourly rate of privately owned parking garages in Old Town (\$6.00/hour). However, raising the hourly parking rate at City-owned parking facilities conflicts with the 2015 Old Town Area Parking Study (OTAPS) Work Group and Transportation & Environmental Services recommendations that the rates at City-owned parking facilities *should be adjusted to be less than the metered on-street parking rates* which is currently \$1.75 per hour in Old Town.

Raising the hourly rates at City-owned parking garages will result in decreased utilization of City-owned parking garages and increased utilization of on-street parking. Currently, meters are less expensive at a rate of \$1.75 per hour for a maximum of two to three hours (depending on location) from 8 a.m. to 9 p.m. and free at all other times. This is compared to the City-owned garage rate of \$2.50 per hour, for up to three hours, with a \$10.00 daily maximum and an evening/weekend rate maximum of \$5.00.

Given the difference in rates, most short-term parkers already utilize on-street parking compared to garages. By increasing the City-owned garage hourly rate, it could further increase on-street parking pressures. Transportation & Environmental Services reports that on-street spaces are busiest around lunchtime and dinnertime hours.

Given the new City parking meters capability to be programmed to have variable rates by time of day and day of week at City meters, staff plans to discuss options with the community in the months ahead. Part of that review and analysis will include considerations of changes in City parking garage/lot hourly rates.

ATTACHMENTS:

Attachment I- Non-City Parking Garages in Old Town

Attachment I- Non-City Parking Garages in Old Town

(Where to Park in Old Town Alexandria <https://www.alexandriava.gov/tes/info/default.aspx?id=12490>):

S. Union St Garage | 115 S. Union St

\$10 flat rate, overnight parking available
(additional cost may apply)

The Alexandrian Hotel Garage | 104 S. Pitt St

\$16 flat rate, overnight parking available
(additional cost may apply)

Solo Garage | 225 S. Union St

\$7 flat rate

5 Torpedo Factory Garage | 102 N. Union St

\$7/hr (\$14 daily max)

N. Alfred St Garage | 117 N. Alfred St

\$5/hr (\$25 daily max, \$10 evening max)

Hilton Hotel Garage | 1767 King St

\$6/hr (daily max \$14)

King St Station Garage | 1800 Diagonal Rd

\$9/hr (\$18 daily max, \$8 evening/weekend max)

The Strand Building Garage | 110 S. Union St

\$10 flat rate, evening and weekend hours only

Tavern Square Garage | 418 Cameron St

\$5/hr (\$13 daily max, \$5 evening/weekend Max), closed Sunday

King St Garage | 1150 Cameron St

\$6/hr (daily max \$14), closed weekends

Diagonal Rd Garage | 1700 Diagonal Rd

\$6/hr (daily max \$14), closed weekends

Edmundson Plaza Garage | 1701 Duke St

\$9/hr (daily max \$16), closed weekends

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 14, 2019

Question:

Can you please provide an update of the FY 2018 Budget Memo 48, Reduction Proposals Not Taken? (Councilman Chapman and Mayor Wilson)

Response:

Early in the FY 2020 budget development process, staff estimated a \$27.5 million gap budget shortfall due to slow revenue growth and high-demand expenditure needs, particularly in the areas of school enrollment, Metro operating and capital costs, and City and school capital infrastructure needs. To address this shortfall, the City Manager and the Office of Management and Budget instructed departments to develop expenditure reduction options equal or greater to 2.5% of their FY 2019 General Fund budget resulting in over \$9.1 million in expenditure reduction options or revenue increases. Over 65% of the value of those reductions, totaling \$6.0 million, were included in the proposed budget as efficiency and program savings. The remainder were considered, but not included, in the FY 2020 Proposed Budget because they represent and support priority programs and services whose funding was warranted for continuation in comparison to other competing reductions and potential additions. Given that there are needs for investment beyond those that could be funded within the proposed budget if any of the remaining reductions had been determined to have no detrimental impact on City operations or community services, they would have already been included in the proposed budget.

ATTACHMENTS:

Attachment 1: FY 2020 Proposed Budget – Reductions not Taken

FY 2020 Proposed Budget - Reductions not Taken

Dept	Reduction	Expenditure	Revenue	Net
City Attorney's Office	Reduction of funding for outside attorney payments	(73,710)	-	(73,710)
City Manager's Office	Reduce the Assignment Period for Special Assistant to the City Manager (Management Fellow Rotational Assignment)	(51,141)	-	(51,141)
Court Services Unit	Reduction to the contract for the Gang Intervention Prevention Education program	(38,865)	-	(38,865)
Community and Human Services	Reduce contract psychiatry hours for Acute and Emergency Service program	(28,560)	-	(28,560)
Community and Human Services	Reduce financial assistance to eligible City residents for dental services provided through Northern Virginia Dental Clinic	(41,000)	-	(41,000)
Community and Human Services	Eliminate a Senior Therapist position (1.0 FTE) that provides Jail Behavioral Health Services as part of the Acute and Emergency Service program	(90,000)	-	(90,000)
Community and Human Services	Reduction of part-time position (0.5 FTE) that provides employment training opportunities to DCHS clients	(27,913)	-	(27,913)
Community and Human Services	Reduction of part-time position (0.45 FTE) that provides employment training opportunities to DCHS clients	(25,809)	-	(25,809)
Community and Human Services	Reduction of part-time Security Guard position (0.4 FTE)	(24,257)	-	(24,257)
Emergency Communications	Replacement of Computer-Aided Dispatching (CAD) system, switching from the current system to cloud-based system (potential future savings opportunity not feasible for FY 2020)	(161,000)	-	(161,000)
Economic Development - Small Business Development Center	Reduction in total hours for business consultations	(7,409)	-	(7,409)
Economic Development - Visit Alexandria	Reduction of funding for regional advertising	(82,944)	-	(82,944)
Fire	Reduction of the Fire Marshal program (3.5 FTEs)	(486,150)	-	(486,150)
General Services	Transfer costs for inmate damage of Detention Center property	(25,000)	-	(25,000)
General Services	Generate additional revenue by opening the Print Shop to the general public	-	(15,000)	(15,000)
Human Resources	Eliminate funding for The Washington Post Featured Employer program	(15,000)	-	(15,000)
Human Resources	Eliminate leadership and management training for mid-level leaders	(100,000)	-	(100,000)
Human Rights	Reduce a portion of the ADA Program Manager from 1.00 FTE to 0.75 FTE	(21,645)	-	(21,645)
Internal Audit	Reduce the starting salary for the Chief Internal Auditor position	(10,729)	-	(10,729)
Information Technology Services	Eliminate Gartner License which provides access to research and best practices	(28,851)	-	(28,851)
Information Technology Services	Eliminate a Computer Programmer Analyst II (1.0 FTE)	(112,640)	-	(112,640)

FY 2020 Proposed Budget - Reductions not Taken

Dept	Reduction	Expenditure	Revenue	Net
Information Technology Services	Eliminate a Enterprise Collaboration Administrator (1.0 FTE)	(128,552)	-	(128,552)
Information Technology Services	Eliminate funding for network printer repairs	(15,000)	-	(15,000)
Library	Reduce Library current services (base budget)	(20,439)	-	(20,439)
Library	Eliminate contract for security guard services at Barrett and Burke branch libraries	(48,422)	-	(48,422)
Library	Eliminate Westlaw database from Law Library	(35,639)	-	(35,639)
Library	Stop Purchase of Pop-Up Outreach Vehicle	(36,250)	-	(36,250)
Office of Historic Alexandria	Across the board reductions to museums	(38,347)	-	(38,347)
Office of Historic Alexandria	Eliminate the Sister City program	(18,045)	-	(18,045)
Police	Eliminate funding for Narcan in the Patrol budget	(33,000)	-	(33,000)
Planning & Zoning	Eliminate a Principal Planner position (1.0 FTE) in Development Review	(143,242)	-	(143,242)
Recreation, Parks and Cultural Activities	Reduce the City's Art Grants to organization from \$174,000 to \$124,000	(50,000)	-	(50,000)
Recreation, Parks and Cultural Activities	Eliminate a part-time Recreation Leader II (0.6 FTE) in Recreation Services Sports	(29,088)	-	(29,088)
Recreation, Parks and Cultural Activities	Reduction in Horticultural Services for the Right-of-Way and City Portals	(13,228)	-	(13,228)
Recreation, Parks and Cultural Activities	Reduction of Athletic Field Turf Maintenance	(46,945)	-	(46,945)
Recreation, Parks and Cultural Activities	Reduction of Mowing Services in Parks	(57,234)	-	(57,234)
Sheriff	Eliminate Courthouse Screening and the associated 2.0 FTEs	(167,471)	-	(167,471)
Sheriff	Eliminate courtroom security in two court rooms and the associated 2.0 FTEs	(167,471)	-	(167,471)
Sheriff	Eliminate Public Safety Center front gate screening and the associated 4.0 FTEs	(334,942)	-	(334,942)
Sheriff	Eliminate Pre-Trial Grant program and the associated 2.5 FTEs	(180,233)	-	(180,233)
Transportation & Environmental Services	Increase meter rates to \$2.00/hr. after 5PM for meters east of Washington Street ¹	-	(42,000)	(42,000)
Registrar	Reduction in operating hours for the Beatley Library absentee site	(3,122)	-	(3,122)
Registrar	Reduction ballot printing costs based on recent demand (one-time reduction for FY 2020)	(4,000)	-	(4,000)
Total		(3,023,292)	(57,000)	(3,080,292)

¹ Proposal would utilize variable rate feature capability. Changing meter rates to a variable rate structure needs community discussion outside of the budget process which would be planned during FY 2020.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 12, 2019

Question:

Please provide an update to the Meals Tax rebate memo distributed May 8, 2018. (Mayor Wilson)

Response:

The purpose of this memorandum is to update City Council of the status of the Meals tax rebate, or seller's commission, to restaurants as compensation for collecting the trustee tax on behalf of the City. A rebate or seller's commission allows restaurateurs to retain a portion of the tax revenue collected from the customer and is permitted under Virginia law but is not required. Attachment 1 provides a sampling of rebates in other jurisdictions based on an informal telephone survey conducted by the Department of Finance last May.

In FY 2019, the City of Richmond adopted a 1.5 percent rebate concurrent with a Meals Tax rate increase. Per Attachment 2, Richmond further adopted that it was the intent of the Richmond Council to amend the rebate as part of its deliberation on the FY 2020 budget "to increase the commission authorized from 1.5 percent to three percent." Richmond staff expressed concern about the precedent this may create for other trustee taxes.

A 1.5 percent Meals Tax rebate in the City of Alexandria would reduce FY 2020 revenue by approximately \$360,000 of which \$72,000 would be attributable to the affordable housing initiative. A three percent rebate would reduce revenue by approximately \$720,000 of which \$144,000 would be attributable to the affordable housing initiative. These reductions would reduce both the General Fund and Meals tax funds dedicated to the Affordable Housing Initiatives. If extended to Transient Lodging and Admissions taxes, the rebate would reduce General Fund revenue by another \$196,050 to \$392,100, at 1.5 percent or 3 percent.

The current Meals tax process has been in place in the City of Alexandria for more than 40 years without a seller's rebate, and staff does not recommend one at this time. In Richmond, the rebate was advanced as an offset to increased credit card charges associated with the Meals tax rate increase. However, the rebate applies to both cash, echeck, and credit card payments. It appears that restaurants generally pay around 2-3% in credit card processing fees.

If Council approved a seller's commission on the meals tax, hotels would likely press for the same treatment for transient occupancy taxes. A 1.5 percent commission on hotel transient occupancy taxes would cost \$186,000 and a 3 percent commission would cost \$372,000.

If Council were to consider this adjustment in Add/Delete it would require an ordinance separate from the budget adoption resolution.

ATTACHMENTS:

Attachment 1 – Meals Tax Rebates in other Jurisdictions
Attachment 2 – Richmond Meals Tax Rebate Ordinance
Attachment 3 – Meals Tax Rebate Memo - May 8, 2018

<u>Northern Va</u>	<u>Meals Tax Rebate</u>
Fairfax City	3%
Falls Church	2%
Herndon	6%
Leesburg	5%
Manassas	3%
Manassas Park	2%
Purcellville	5%
Vienna	3%
Alexandria	No
Arlington	No
Fairfax County	N/A
Loudoun	N/A
Middleburg	No
Prince William	N/A
<u>Other Va Localities</u>	<u>Meals Tax Rebate</u>
Charlottesville	3%
Fredericksburg	3%, or \$100, whichever is less
Henrico	3%
Lynchburg	3%
Newport News	3%
Prince George Co. VA	3%
Richmond	1.5%/3% New
Chesapeake	No
Covington	No
Hampton	No
Harrisonburg	No
Norfolk	No
Portsmouth	No
Virginia Beach	No
Williamsburg	No
<u>Metro Region</u>	<u>Meals Tax Rebate</u>
Montgomery Co., Md	No
Prince George Co, Md.	No
Washington D.C.	No

INTRODUCED: May 7, 2018

AN ORDINANCE No. 2018-142

To amend ch. 26, art. I of the City Code by adding therein a new § 26-2, concerning a commission for the collection, accounting, and remission of meals taxes, for the purpose of allowing certain businesses a commission for the collection, accounting, and remission of meals taxes in the amount of 1.5% of the tax remitted to the City.

Patrons – All Members of Council

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 14 2018 AT 6 P.M.

WHEREAS, at the time of this ordinance's adoption, it is the intent of the Council of the City of Richmond to amend the new section of the Code of the City of Richmond (2015), as amended, created by this ordinance as part of the Council's deliberations on the annual budget for the fiscal year commencing July 1, 2019, and ending June 30, 2020, to increase the commission authorized thereby from 1.5 percent to three percent;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 14 2018 REJECTED: _____ STRICKEN: _____

§ 1. That Chapter 26, Article I of the Code of the City of Richmond (2015) be and is hereby amended and reordained by **adding therein a new** section, numbered 26-2, as follows:

Sec. 26-2. Commission for collection, accounting, and remission of meals taxes.

In accordance with Code of Virginia, § 58.1-3816.1, any local business, or any class thereof, required by Article VIII of this chapter to collect and remit to the City the tax paid for meals levied under Article VIII of this chapter may withhold as a deduction from the tax remitted a commission in the amount of 1.5% of the amount of such tax due and accounted for. No deduction shall be allowed if the amount due was delinquent.

§ 2. This ordinance shall be in force and effect upon July 1, 2018.

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 8, 2018
TO: VICE MAYOR JUSTIN WILSON
FROM: KENDEL TAYLOR, DIRECTOR OF FINANCE
SUBJECT: MEALS TAX REBATE



This memorandum is in response to your request for staff comment regarding a situation in which the City of Richmond is considering offering a Meal's Tax rebate, or seller's commission, to restaurants as compensation for collecting the trustee tax on behalf of the City. While this is permissible under Virginia law, it is not required. Though Richmond has not yet adopted an ordinance, Richmond staff anticipate that a seller's commission of 1.5% may be adopted for FY 2019, potentially increasing to 3% in FY 2020. The rebate would apply to cash and credit card payments. City of Richmond staff have expressed concern about the precedent this may create, possibly spilling over to their Transient Lodging Tax and Admissions tax.

City of Alexandria staff share the same concern, were a rebate to be considered for processing Alexandria's Meals Tax. It is hard to envision a seller's commission for one, and not the other. This type of rebate would also reduce the revenue from this tax type, both from the anticipated rate increase that has been proposed to be dedicated to the Affordable Housing Initiatives Account in the Affordable Housing Fund and from revenue that remains in the General Fund. As noted above, a seller's commission is allowable under Virginia law. A similar process is used, for example, with the State Sales Tax as a compliance tool. Alexandria does not currently have, nor does staff anticipate any issues with compliance.

Assuming the proposed rate increases, a 1.5% rebate would reduce revenue by approximately \$572,000 in FY 2019. At 3%, this would reduce revenue by more than \$1.1 million annually (\$725,000 Meals Tax; \$398,000 Transient Lodging Tax; and \$20,000 Admissions Tax). For perspective, the current Meals Tax process has been in place in the City of Alexandria for more than 40 years without a seller's commission, and staff does not believe that it is warranted now.

CC: The Honorable Mayor and Members of City Council
City Manager Mark Jinks
Deputy City Manager Laura Triggs
Kevin Greenlief, Assistant Director, Finance Department

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 9, 2019

Question:

Can you provide detail as to the line-item cost and benefit of the proposed WasteSmart initiatives included in the proposed budget, and the initiatives that would be funded with the additional \$10.67 increase in the Residential Refuse Fee contemplated in the “City Manager’s Alternative Option List?” (Mayor Wilson)

Response:

The FY 2020 proposed budget includes cost increases for recycling programs but does not fund the identified initiatives in the WasteSmart plan. Those initiatives, which total approximately \$200,000, are included in the additional \$10.67 increase which can be found on the City Manager’s Alternative Option List. If this initiative were selected by City Council, it would increase the Solid Waste fee from the proposed \$406 to \$417. Here is a breakdown of the specific initiatives, their estimated cost, and their anticipated benefits:

- Operating costs for glass drop off facilities (\$40,000 annually)
 - This service would cover the operations and disposal costs for the implementation of four glass recycling drop-off facilities across the City. Source separation of glass will ensure its beneficial reuse through a partnership with Fairfax and Arlington Counties. Glass collected will be transferred to a Fairfax facility where it will be cleaned, crushed, and reused as select backfill, pipe bedding material, and sand. There are strong environmental benefits since much of our glass currently ends up in the landfill after the recycling sorting process. This program is a pilot for a larger scaled implementation which could include drop-off partnerships with local businesses (grocery stores, breweries, etc.)
- Education/ Outreach Improvements (\$120,000 scalable) includes:
 - Regional recycle right campaign
 - Participation in partnership with regional partners allows the City’s investment to go farther. The goal is a decrease in contamination of the recycling stream which will result in cost reduction for recycling processing.
 - Improved print materials and website (with multi-language translation)
 - The goal is to reach more residents with details on what material is recyclable and what is not..
 - Online/app-based sorting tool
 - The goal is to simplify the sorting process and reduce contamination.
- Reduce and Reuse Programming (\$10,000)

- A scalable pilot program called 'Share-A-Bag' designed to reduce single-use disposable plastic bags and encourage use of reusable tote bags. Plastic bags are one of the top contaminants in the recycling bin and this program would also serve as an education and outreach opportunity.
- Online reuse directory of local vendors that provide repair, donate, and consign (second-hand reuse shop) services. The goal is to reduce overall waste in both trash and recycling streams.
- Mandatory yard waste separation/plastic bag ban for yard waste - analysis, recommendation, and implementation (\$30,000)
 - This work would analyze, recommend and implement a yard waste ban from refuse and require that all yard waste be separated and collected as such. This would also prohibit yard waste from being disposed of in plastic bags. This would have significant environmental impacts as an increase in yard waste collection would improve beneficial reuse as mulch and compost.

Question: The City last adjusted Solid Waste Hauler permit fees in FY 2011. What revenue is included in the proposed budget associated with these fees? What authority does the City have to increase these fees to: 1) offset costs of WasteSmart initiatives 2) offset costs currently funded by the Residential Refuse Fund? What would be the financial impact of such increase scenarios?

Response: The City Hauler fee is associated with the Commercial Refuse program which remains in the General Fund in FY 2020 - only the residential portion of the refuse program was moved to the other special revenue fund. Therefore, increasing the Hauler fees cannot offset the costs of WasteSmart initiatives because they exist in separate funds.

In FY 2011 the City raised the commercial hauler fee from \$150 to \$300 for large trucks. While this increase initially resulted in increased revenue for the City, staff has found that over the last two years revenue has decreased. The fee is significantly higher than our closest comparator jurisdiction, Arlington County who charges \$150.

The assumption regarding the decrease in revenue is that some of the haulers have reduced the number of trucks operating in the City, and that some are circumventing the fee by paying it to Arlington instead of Alexandria. The current enforcement point is at the Covanta facility where the trucks cross the scale. If a Hauler is collecting trash in the City of Alexandria, they are required to obtain an Alexandria Hauler sticker for their vehicle. Having an Arlington sticker is essentially the same at Covanta as an Alexandria one, as the facility is managed under joint agreement with both jurisdictions.

Staff is meeting internally to develop an increase in enforcement and collection plan to increase the revenue. Staff does not recommend an increase to this fee at this time based on the difficulty in enforcement throughout the City, and the lower fee in neighboring jurisdictions. A higher fee could result in lower utilization of Alexandria permits and lower revenues.

The following table outlines the current drop in Hauler fee revenues.

Hauler Fee Collections				
	2017 Actual	2018 Actual	2019 Estimated	2020 Proposed
Budget	\$120,000	\$120,000	\$120,000	\$80,000
Actuals	\$125,335	\$68,314	\$80,000	\$80,000
Difference	-\$5,335	\$51,686	\$40,000	\$0

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 26, 2019

Question:

What would be the required change in the Vehicular Personal Property Tax Rate in order to eliminate the Vehicle Decal Fee and remain revenue neutral? (Mayor Wilson)

Response:

This response was revised on March 26, 2019.

On March 11, staff forwarded Budget Memo question #14 which indicated that a tax rate of \$5.56 would be necessary to generate the revenue currently provided from the \$33 motor vehicle license fee (decals fee). This calculation failed to accurately take into account the impact of the state subsidy from the Personal Property Tax Relief Act. After a comprehensive review of the entire tax roll of vehicles, owned by both residents and businesses, the correct tax rate needed to offset the elimination of the decal fee is \$5.33. On Tuesday, March 12, City Council voted to advertise a maximum personal property tax rate of \$5.56. No action is needed by City Council at this time, since the required rate to offset the motor vehicle license fee of \$5.33 is lower than the advertised rate.

The Vehicle Decal Fee of \$33 per vehicle is estimated to generate \$3.85 million in FY 2020 General Fund revenue. The value of 1 cent on the Vehicle Personal Property Tax Rate is approximately \$116,000. If Council were to eliminate the Vehicle Decal Fee (soon to be referred to as the Local Registration Fee), the Vehicle Personal Property Tax Rate would need to be increased by approximately 33 cents. This would increase the rate from \$5.00 to \$5.33.

Only seven out of 237 cities, counties and towns in the Commonwealth (including Alexandria) apply a progressive sliding scale to the state Car Tax subsidy (PPTRA), whereby the amount of the subsidy declines as the value of the car increases. Because of this, while the absolute tax rate would be \$5.33, the effective tax rate would be less for personal use vehicles. Based on the FY 2019 subsidy rates, cars valued below \$1,000 would pay no tax; cars valued between \$1,001 and \$20,000 would have an effective tax rate of \$2.37; and cars over \$20,000 would have progressively higher effective tax rates starting at or around \$2.90. As the value of the car increases, the effective tax rate also increases. Based on the most expensive car in the City's tax base, the highest that the effective tax rate would ever reach on personal use vehicles is \$5.20. Business vehicles do not receive the state Car Tax subsidy.

Staff reviews the PPTRA subsidy rates each year and presents the annual subsidy proposal to Council in June. As the tax base increases, the relative percentage of subsidy declines somewhat, but the above representation provides context to the tax rate relationship, and the effective tax rate on personal use vehicles will always be less than the rate actually adopted.

If Council decides to eliminate the \$33 decal fee, the City might become the only, of 237 jurisdictions in Virginia, to eliminate the fee. At a minimum it would be one of the two jurisdictions without a decal

fee. All Northern Virginia jurisdictions have a decal fee, with fee rates set between \$24 and \$33 per year. Swapping the decal fee for an increased tax rate enhances the progressivity of the City's Car Tax.


Attachment 1 – Correction to Tax Rate Needed to Offset Decal Fee Revenue


City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 26, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: KENDEL TAYLOR, DIRECTOR OF FINANCE 

SUBJECT: CORRECTION TO TAX RATE NEEDED TO OFFSET DECAL FEE REVENUE
(UPDATE TO BUDGET MEMO #14)

On March 11, staff forwarded Budget Memo question #14 which indicated that a tax rate of \$5.56 would be necessary to generate the revenue currently provided from the \$33 motor vehicle license fee (decal fee). This calculation failed to accurately take into account the impact of the state subsidy from the Personal Property Tax Relief Act. After a comprehensive review of the entire tax roll of vehicles, owned by both residents and businesses, the correct tax rate needed to offset the elimination of the decal fee is \$5.33. On Tuesday, March 12, City Council voted to advertise a maximum personal property tax rate of \$5.56. No action is needed by City Council at this time, since the required rate to offset the motor vehicle license fee of \$5.33 is lower than the advertised rate.

Personal Property tax revenue is generated from two sources. The City receives \$34.6 million in Personal Property tax revenue paid by taxpayers on October 5th. In addition, the City receives \$23.5 million in Intergovernmental revenue from the State that represents a tax relief subsidy on personal use vehicles. The City's Personal Property tax rate of \$5.00 generates approximately \$58.1 million in tax revenue from both sources. In calculating the value of each penny of tax, staff used the local revenue of \$34.6 million when the value of a penny should have reflected the total amount of \$58.1 million, regardless of the source. As a result, the penny was undervalued and a higher tax rate was estimated to offset the decal fee of \$3.8 million.

Additional reviews are being put in place to ensure that complex calculations receive the necessary time and attention from multiple staff members so mistakes such as this will not happen again in the future.

cc: The Honorable Mayor and Members of City Council
Deputy City Manager Laura Triggs

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 12, 2019

Question:

What would be required to establish a separate fund for preserving affordable housing? (Councilman Chapman)

Response:

An ordinance would be required to create a new separate fund. This would need to be crafted and introduced. The City currently tracks the purposes for which affordable housing dollars are spent through specific lines of business, meaning we can report out how much is spent on preservation, development, acquisition, etc. The existing Affordable Housing Fund is used for the preservation of existing affordable housing, the construction of new affordable housing, and financial or other assistance for the purchase and/or rental of housing units. Having one Affordable Housing Fund allows the department to be flexible and respond quickly to the current market and opportunities available.

From Housing staff's perspective, creating a new separate Preservation Fund would add a complication to managing current housing monies and would not add value to the City's housing preservation effort itself without an infusion of significant new resources to support a more focused initiative but, given the current practice of reviewing all acquisition opportunities (of which Housing is made aware), it does not appear that preservation is resource-inhibited at this time.

For two decades the City has invested Housing Opportunity Funds in preserving existing and/or producing new rental housing as committed affordable units. The 2013 Housing Master Plan's target of "new affordability in 2000 units by 2025" specifically tracks units achieved through both approaches. The Alexandria Housing Affordability Advisory Committee (AHAAC), which monitors implementation of the Housing Master Plan, receives a quarterly update on the City's progress in meeting this target.

The City is currently working with its nonprofit partners, with the Virginia Housing Development Authority (VHDA) and with JBG-Smith to develop guidelines to act more nimbly on deals of a certain scale that fall within established parameters as future opportunities arise. However, Housing reviews every acquisition/preservation opportunity, even when the overall requirements for City investment may exceed resources potentially on hand.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 8, 2019

Question:

Can you provide an update of FY19 Budget Question 40 “Provide the expenditure savings of capping the elderly/disabled real estate tax abatement program at valuations of \$1 million and a deferral program alternative for eligible homeowners”? Please include a projected breakdown of the \$4 million budgeted for the tax relief programs current and proposed. (Mayor Wilson)

Response:

Based on Tax Year 2018 data, the Elderly and Disabled Tax Relief Program had eight participants owning real estate assessed at more than \$1 million (ranging from \$1.01 M to \$1.43 M). Based on the gross income of these property owners, five received 100% relief; two received 50%; and one received 25%. The average gross income for these owners is \$44,750 (ranging from \$31,300 to \$69,200). The average net assets are \$182,000 (although three report less than \$10,000).

The total amount of taxes relieved for these eight properties amounts to approximately \$79,600. If the program were amended to create a \$1 million assessment ceiling, with the balance of taxes over that amount being eligible for deferral, the amount of actual tax relief would drop to approximately \$69,000. The difference of \$10,600 would be eligible for deferral. Based on 2018 data, the amount of potential deferral would range from a low of \$141 to a high of \$4,336 per year.

The following chart provides the distribution of property values in the 2018 Tax Relief Program:

Assessed Value Range	Count	Percent of Total	Amount Relieved	Percent of Total
Below \$250,000	260	32.5%	\$0.46	15.8%
\$250,000 - \$499,999	252	31.5%	\$0.83	28.6%
\$500,000 - \$699,999	206	25.7%	\$1.03	35.3%
\$700,000 - \$999,999	75	9.4%	\$0.51	17.5%
\$1 million and Over	8	1.0%	\$0.08	2.7%
	801	100.0%	\$2.91	100.0%

Amount of Relief	Count	Percent of Total	Amount Relieved	Percent of Total
100% Relief	526	65.7%	\$2.36	81.12%
50% Relief	174	21.7%	\$0.42	14.60%
25% Relief	101	12.6%	\$0.12	4.28%
Total	801	100.00%	\$2.91	100.00%

Of the \$4.0 million estimated for tax relief and tax exemptions, approximately \$2.91 M represents tax relief for the Elderly and Disabled; and approximately \$1.09 M represents tax exemptions for disabled military veterans.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 8, 2019

Question:

Can you provide the General Fund impact, both revenue and expenditures, of the operations of the Old Town Farmer's Market? Can you estimate the financial impact if the City were to solicit for non-profit/private administration of the market? (Mayor Wilson)

Response:

Operation of the Old Town Farmer's Market (OTFM) is revenue neutral; the vendor fee revenue collected offsets the costs related to the OTFM operations. Over the past two fiscal years, an average of \$56,402 in revenue was collected per year with average direct operating expenditures of \$51,246 per year. The City's expenses include a part-time market manager, overtime for City staff support, operating supplies, and clean-up.

Option to Privatize

The process to privatize a municipal farmers' market generally involves a jurisdiction developing and issuing a solicitation, or Request for Proposals (RFP), for the management of the farmers' market. In many cases, the jurisdiction will provide the space and either pay the contractor a fixed management fee, the contractor will pay the municipality a percentage of the gross vendor fee revenue collected, or the contractor may be permitted to keep all vendor fee revenue. In addition, the RFP, in many cases, may allow the jurisdiction to dictate how the market is operated and the vendor rules.

Many non-profits, Business Improvement Districts (BIDS), community groups, etc. operate their farmers' markets very differently than the OTFM. For example, non-profit organizations such as Fresh Farms and Community Food Works, that manage farmers markets in Arlington, charge vendors a market fee equal to a percentage of a vendor's total gross sales or revenue while the OTFM charges its permanent vendors a flat annual fee. The percentage-based fee structure may be attractive to smaller vendors but could have a significant impact on larger, higher grossing vendors. Organizations such as Fresh Farms also require that all farmers and producers carry \$1.0 million in liability insurance; require standard signage; have stringent product eligibility guidelines; and are generally "Producer Only" markets (i.e. exclusively selling products that vendors have grown or produced – no reselling). Some organizations require that bakers use seasonal ingredients from the region and at least 60% of ingredients in the filling of fruit and vegetable pies and tarts must be from the farmer or producer's own production or purchased from regional farmers and integrate locally sourced grains.

Due to the long history of the OTFM, revising the regulations to be that stringent may result in over 30 percent of the existing vendors' inability to meet these more stringent regulations and may result in their withdrawal from the OTFM. This would likely be the case for many of those long-term vendors that were grandfathered into the market during the market refresh that occurred in 2013.

The cost to privatize the Old Town Farmers' Market by contracting out the management and operation of the market to a third party is solely dependent upon the terms of the contract and the fee structure developed and agreed upon by the City and the contractor. These terms could include a flat management fee, a percentage of vendor fee revenue or retention of all vendor fee revenue by the contractor. However, based on the terms of the contract, the City most likely would no longer realize vendor fee revenue of approximately \$56,000 per year as in most cases the market operator will prefer or negotiate to retain the vendor fees.

The market now is close to cost neutral with direct expenses close to revenues. If contracted out it is unlikely to become a substantial net revenue gain for the City. Therefore, when considering contracting out the market a determination as to purpose for contracting out needs to be identified. With that, a more in-depth analysis of the pros and cons of contracting out could be undertaken.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 25, 2019

Question:

Can you please provide a detailing of the number of children served across the Early Childhood Program Area, the cost breakdown of each service area, and estimates of the current waiting lists for service in each area (quantity and duration)? Please include the financial impact of plausible service expansions in this area, including the availability of State or Federal dollars. (Mayor Wilson)

Response:

The Early Childhood Program is allocated \$8.1 million in the City's FY 2020 Proposed Budget. \$5.7 million was budgeted for non-personnel across the Early Childhood programs; \$4.9 million is allocated for the purchase of child care services. Of this, \$2.4 million is budgeted for personnel costs for the 22.34 FTEs who work on early childhood issues.

The 22.34 FTEs in the Early Childhood Program provide a continuum of services for individuals and families, that include: providing case management for individuals with developmental disorders, enrolling and providing case management services for children in child care services, regulating family child care homes, facilitating the professional development of early childhood providers, delivering early developmental intervention services and implementing early childhood mental health prevention, early intervention, and treatment services.

Additionally, the Early Childhood Program receives a State Budget Allocation of \$5.7 million for child care assistance (TANF, Transitional Child Care and the Fee System). This funding is expended at the State level for childcare vendors in the City while services are managed locally, and therefore \$5.7 million is not reflected in the City budget. The total funding available for child care assistance/purchased services is \$10.6 million for FY 2020.

Purchased Child Care Services/Child Care Assistance

Services in FY 2020 City Proposed Budget Service Area	General Fund	Grants/Other Revenue	Total FY 2020 Proposed Budget	VDSS Allocation Outside Financial Custody of Alexandria	Total Proposed Program Funding
TANF and Transitional Child Care	\$0	\$0	\$0	\$1,292,871	\$1,292,871
State Child Care Subsidy Program	\$0	\$0	\$0	\$4,156,345	\$4,156,345
Head Start Wrap Around	\$0	\$0	\$0	\$277,105	\$277,105
Head Start	\$253,630	\$2,345,753	\$2,599,383	\$0	\$2,599,383
Scholarships for 4s	\$253,005	\$0	\$253,005	\$0	\$253,005
Local Child Care Subsidy Program	\$331,000	\$0	\$331,000	\$0	\$331,000
School Age Child Care*	\$1,760,233	\$0	\$1,760,233	\$0	\$1,760,233
Totals	<u>\$2,597,868</u>	<u>\$2,345,753</u>	<u>\$4,943,621</u>	<u>\$5,726,321</u>	<u>\$10,669,942</u>

**School Age Child Care: Represents the Department's agreement with The Campagna Center and includes \$41,119 for program monitoring and scholarships, but excludes Recreation, Parks & Cultural Activities (RPCA) provided programs.*

Temporary Assistance for Needy Families (TANF) and Transitional Child Care

FY 2020 Budget: \$1,292,871

Average number of Children served per month FY 2018: 139

Number of Children on Waiting List: 0

Temporary Assistance for Needy Families (TANF) and Transitional Child Care consists of Federal and State funds. These are mandated programs so funds are made available by the State as they are needed and therefore, these programs have no wait lists.

State Child Care Subsidy Program

FY 2020 State Budget: \$4,156,345

Average number of Children served per month FY 2018: 433

Number of Children on Waiting List: 14*

**The VaCMS database shows that there are 74 families and 99 children on the waitlist. Of this number, it is estimated that an additional 14 children may be served based on projected expenditures. These families are in varying stages of either providing needed documentation or selecting a child care provider and cannot be purged from the waitlist until their documents or selections are finalized.*

Since FY 2017, DCHS maintains a rolling waitlist with families positioned on the waitlist for no more than 30 days when funds are available, and the family is timely in their completion of required documentation and selection of a provider. Efficient waitlist management processes enabled the department to draw down additional State subsidy funds in the amount of \$466,260; thereby freeing up

local subsidy funds to provide funding in the scholarship program for four-year olds. Virginia conducts a market rate survey before submitting its Child Care and Development Fund (CCDF) plan to the Federal Department of Health and Human Services for approval. The survey helps the State assess and establish its reimbursement rates for child care providers participating in the Child Care Subsidy Program. In May of 2018, the State announced a significant rate increase (42%) for both center based and family child care based on child care market rate survey data. This rate increase does not create capacity to increase the number of children served, but rather addresses the issue of subsidized families having to pay providers the difference between their private pay amount and the subsidy payment. With the rate increase effective 6/1/2018, it is anticipated that fewer providers will need to collect additional amounts from families.

The FY 2019 original budget amount for State subsidy was \$2,062,711. The program was able to draw down an additional \$466,260 based on mid-year spending patterns of moving children off of the waiting list on a rolling basis. An additional \$2,093,634 was added to the FY 2019 proposed budget for the increased per day State subsidy rate that went into effect June 2018.

Head Start Wrap-Around

FY 2020 State Budget: \$277,105

Average number of Children served per month FY 2018: 55

Number of Children on Waiting List: 0

Head Start Wrap-Around funds are 100% Federal and are made available as needed by the State to provide before- and after-school services to Head Start children who need care beyond the 6-hour Head Start program day.

Alexandria Head Start

FY 2020 budget: \$2,599,383

Average number of Children served per month FY 2018: 309

Number of Children on Waiting List: 141

The Alexandria Head Start (AHS) program is funded for 309 children and maintains a waiting list of three- and four-year-olds. The number of children the program can serve is determined by the funding level provided by the U.S. Department of Health & Human Services Head Start Office. The Campagna Center has one VPI classroom and VPI children are included with Head Start children in a blended classroom.

The waiting list is determined by a point system based on factors such as percent of poverty level and violence in the home, not by the date of application. Four-year olds receive priority. Families with fewer factors as compared to others may remain on the waiting list for a longer period of time, while those with greater needs are prioritized to be placed in a classroom as space becomes available. Families are also referred to other early childhood programs for which they might be eligible. The registration process begins in March each year. Three-year olds on the waiting list who turn four by the end of September are given priority. The financial eligibility limit for AHS is 100 percent of the Federal Poverty Level (FPL).

Scholarship Program for Four-Year-Olds

FY 2020 Budget: \$253,005

Average number of Children served per month FY 2018: 41

Number of Children on Waiting List: 0

The Scholarship Program for four-year-olds is supported 100% through General Funds and pays child care costs for Virginia Preschool Initiative (VPI) eligible children. \$47,047 was used from local subsidy funding to meet the actual spending costs of \$300,052 for the Scholarship Program for four-year-olds. As these services are sourced by the General Fund, the same funds can be applied toward the local VPI match requirement.

The State 3-year market rate survey resulted in a 54% increase in daily rates paid to subsidy child care providers effective June 1, 2018. In turn, 22 fewer scholarship slots were available in FY 2018. We are continuing to work on modeling formulas and assessing the current funding approach for the Scholarship Program for Four-Year-Olds and possibly the local subsidy to address DCHS interests in bridging resources to programs that serve at-risk four-year-olds by optimizing available local funding to support existing or new high quality early childhood programs that seek to serve children through a mix of delivery approaches that lead to expansion capacity and encourage and reward quality and fulfillment of unmet needs.

Local Child Care Subsidy Fee System

FY 2020 Budget: \$331,000

Average number of Children served per month FY 2018: 17

Number of Children on Waiting List: 0

This program area is supported 100% through the General Fund. The budgeted \$331,000 is to serve up to 45 additional subsidy eligible children. The per child funding amount for local subsidy follows the State subsidy rates which are determined based on the age of the child, program type, any special needs of the child, and attendance frequency. The number of children served can be higher or lower based on these patterns of children enrolled. In FY 2018, from this budget a total of \$125,154 was spent, (\$78,107 was utilized to serve 17 children through local subsidy and \$47,047 was utilized to support the Scholarship Program for Four-Year-Olds).

In order to leverage our maximum drawdown of State subsidy dollars, children were moved from local subsidy funding whenever additional State subsidy funding became available. This allowed greater flexibility for meeting the needs of a wider pool of low-income families and to cover budget shortages in the scholarship program for four-year-olds.

School Age Child Care

FY 202 Budget: \$1,760,233

Number of Children served FY 2018: 805

Number of Children on Waiting List: 0

The Campagna Kids program has no children on the waiting list for any of its eleven sites. Parents are not restricted to utilizing their child's assigned school location for after school care and are offered slots at any site when space becomes available. Parents are also referred to other community programs in

the City that offer afterschool care. When a wait list exists, the length of waiting time varies depending on the site, parents' needs, preferences and other resources available in the community.

Direct Services Provided by DCHS Clinical Staff

Direct Services Provided by DCHS Clinical Staff	General Fund	Granting/Other Revenue Proposed	Total FY 2020 Proposed Budget
Parent Infant Education (PIE)	\$497,887	\$766,115	\$1,264,002
Intellectual Disability Case Management Services	\$266,407	\$0	\$266,407
Preschool Mental Health Prevention	\$215,904	37,912	\$253,816
Totals	\$980,198	\$804,027	\$1,784,225

Direct services include the personnel total of \$1,274,385 and non-personnel total of \$509,840

Early Intervention/ Developmental Disability and Mental Health Services

FY 2020 Budget: \$1,784,225

Individuals Served /Services Provided FY 2018: 1,248

Number of Children on Waiting List: 0

The Parent-Infant Education (PIE) program provides early intervention, assessment, case management and treatment services for children 0-21 years of age. The services are provided through three specialized units: Part C Early Intervention; Developmental Disabilities Case Management; and Early Childhood Wellness.

The Part C Early Intervention Program provides assessment, case management and developmental therapy services for children birth to age 3 years utilizing evidence-based practices within the child's natural environment settings. Services were provided to 574 children in FY 2018. Per Federal law, there can be no wait-list for these services. In FY 2018, the average caseload per case manager was 71 children. This far exceeds the best practice maximum of 45-50 cases.

The Youth Developmental Disabilities Program provides intake, assessment, monitoring and support coordination services to individuals age 3- 21 years. The staff in this program served 125 individuals in FY 2018. Of these, 24 children and youth were enrolled in active case management and, 101 individuals received on-going support and monitoring in order to access Medicaid Waiver programs. This program is staffed by 2 FTEs of which one position serves a split function as both the supervisor for the program and as a case manager. In order to meet the service demand and requirements, this program additionally employs one (1) long term temporary employee on a full-time basis. Proposed restructuring of this unit would include the conversion of the temporary position into a fully funded FTE.

The Early Childhood Wellness Program (formerly Preschool Prevention Team provides evidence-based prevention, early intervention and treatment services for preschool children ages 4-6 that are designed to increase social skills and reduce aggressive behavior. The program also provides support and consultation to parents, teachers and administrators. In FY 2018, the team provided 1,539 hours of mental health consultation in preschool classrooms and 410 hours of early intervention services to young children (0-5 years old) and their families, serving 549 children.

Virginia Preschool Initiative (VPI) Budget Managed by Alexandria City Public Schools (ACPS)

Average number of Children served per month FY 2018: 385

The Virginia Preschool Initiative in Alexandria is appropriated and managed by the Alexandria City Public Schools (ACPS) and funded in the ACPS budget. 385 children are being served in quality VPI early childhood classrooms: 192 in school-based programs and 193 in community-based child care centers.

Service Expansion Plausibility

The continuing key challenges to expanding capacity are the lack of appropriate and affordable space and the need for higher match funding. The Federally calculated cost of \$6,125 per eligible child, with program costs shared by the State and local governments, leaves funding gaps that are filled using additional local general funds. The actual per child costs to serve a child in an Alexandria VPI classroom ranges from \$12,009 to \$14,599. While additional funds are coming from the State, those are largely for professional development and quality improvements. The Early Care and Education Work Group is continuing to review the use of current local dollars and to seek other funds from private, State and Federal sources to attempt to address the capacity gap.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 3, 2019

Question:

Can you provide the latest Service Report and Financial Report delivered under the Memorandum of Agreement between Inova Alexandria Hospital and the City. Please include financial analysis of the impact of Medicaid expansion on uncompensated care expenses. (Mayor Wilson)

Response:

Attached is the Financial Report and Service Report that was provided by Inova Alexandria to the City Manager's Office on March 15, 2019. Inova's cost to provide services to charity or indigent patients in 2018 totaled \$15 million. \$3 million of this \$15 million total is attributable to obstetric delivery, which represents about 20% of Inova's charity care admissions.

In response to the second question, Inova Alexandria Hospital is proposing evaluating the actual financial position for the first half of calendar year 2019 in order to provide City Council with an analysis based on encounter data actuals rather than projections. This analysis will cover encounter data from January 2019, when expanded eligibility for Medicaid plans went into effect, through June 2019. This encounter analysis will be available to City Council in late summer.

ATTACHMENTS:

Attachment 1 – INOVA Alexandria Hospital Annual Report submitted to City Manager on March 15, 2019

Inova Alexandria Hospital Report to the City Manager

Financial Report:

- Cost to provide services to charity or indigent patients in 2018: \$15 million
- Industry Standard for community benefit as a percentage of operating budget: 5%
- IAH Community benefit as a percentage of operating budget: 11.8%
- Physician services to charity patients and ED On-Call: \$2 million
- Bad debt, defined as a patients who is either unable or unwilling to settle a financial obligation: \$37 million

Service Report on OB patients served under OB Hospitalist Program

- Clinical outcomes: No maternal or infant death among this population, 66 number of NICU admissions
- Referrals to Antenatal Test Center: 143 women without insurance were referred to Inova Alexandria Hospital's Antenatal Testing Center for additional services. The Antenatal Testing Center provides specialized care for pregnancies at risk for maternal, fetal or obstetric complications.

2018 Clinic Volume of OB patients served:

Volumes	C/S	Vaginal	Totals
January	31	40	71
February	19	29	48
March	19	42	61
April	19	30	49
May	22	38	60
June	13	21	34
July	9	30	39
August	32	35	67
September	27	41	68
October	20	44	64
November	14	27	41
December	22	35	57
2018 Delivery Totals	C/S 247	Vaginal 412	Combined Totals 659

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 25, 2019

Question:

Can you please provide an overall update as to the implementation of the recommendations of the IACP staffing study? (Mayor Wilson)

Response:

The following is a list of recommendations from the International Association of Chiefs of Police (IACP) staffing study conducted in 2016 and the status of their implementation presented by functional area starting with Patrol Operations.

PATROL OPERATIONS

Primary Recommendations

➤ *Augment Patrol Staffing, Prioritize Patrol Staffing, Establish Minimum Patrol Staffing*

The study determined that the obligated workload of Patrol Officers was between 33.42% - 34.56%, which exceed the 30.00% target. It also recommended that 43.09% of Alexandria Police Department (APD) workforce be assigned to Patrol. With total sworn personnel at 312.00 Full-Time Equivalents (FTEs), the assigned Patrol strength of 136 FTEs is at the recommended level of 43.09%. In the FY 2019 Approved Budget, a total of 6.00 Officers were added to the Traffic Safety Section to help reduce the 30.00% obligated workload of Patrol Officers and reduce the crash investigation workload.

Minimum staffing levels are addressed in APD's Standard Operating Procedure 5.0, *Staffing and Leave Policy*. No more than 30.00% of the total number of Officers assigned to each shift is off at one time.

➤ *Reemphasize Community Policing as a Department Strategy:*

The IACP study encouraged the APD to ensure Officers have adequate time to engage in the community-policing model. This is addressed within the APD's 21st Century Policing Plan, as well as ongoing review of Officer's workload by their Supervisors.

The APD is dedicated to community policing and making this a top priority. The COPS Office is running a Teen Law Enforcement Academy to encourage education of police related topics and building relationships with the youth in the community. This is the second year of its existence. Delivery meals at Thanksgiving and Christmas time; the Christmas gifts to the children; law enforcement night at Nationals Park are all ways to engage the community. All these activities are placed on an events calendar readily available to Patrol Officers and encourage Patrol Officers to be a part of community events. The philosophy is that all policing is Community Oriented Policing not limited to a specialized unit.

Additional references include:

- APD 21st Century Policing Plan <https://www.alexandriava.gov/97856>
- CAT 21 Meeting Minutes <https://www.alexandriava.gov/98011>
- APD Strategic Plans: <https://www.alexandriava.gov/100124>

➤ *Reemphasize a Beat-Structured Patrol Response*

Officers are deployed to calls for service based on priority of call type and location. This is accomplished through the computer-aided dispatch (CAD) system. Officers are encouraged and responsible for regular community engagement which is monitored by their Supervisor and workload assessments.

Secondary Recommendations

➤ *Reduce Operational Vacancies*

It was recommended that APD seek authorization for over-hires. Even though the APD was allotted 30.00 over-hire vacancies in FY 2019, only 26.00 over-hire vacancies needed to be utilized to reduce the operational impact of separations. Furthermore, APD maintains ongoing recruitment and holds an average of two recruitment events per month.

➤ *Increase the Volume & Types of Incidents Handled by Telephone Reporting Unit and through Online Reporting*

During the initial recommendation period, the Telephone Reporting Unit (TRU) was staffed by 1.50 FTE. Shortly after the IACP recommendation, larceny from autos was added to the TRU workload. However, the moving of the additional activity to TRU has been put on hold due to the Unit only having 1.00 FTE to handle the workload at this time. The part time worker is vacant and APD is in the process of hiring a part-time employee. The TRU handles Calls for Service where there are no identifying suspect information and the offense likely occurred more than one hour prior to receiving the call.

➤ *Modify the Work Schedule*

Modifications were made to the work schedule to reflect the IACP recommendations. This included adding a permanent evening shift to the Patrol schedule and reducing the shift hours from 12.00 to 11.50 hours. This shift modification occurred on January 14, 2017.

➤ *Improve the Documentation of Officer Activity*

Officer activity reports were enhanced in 2018 with the use of CAD and internal technology systems. Supervisors are now able to track report time, community policing efforts and activity relating to calls for service. This allows both the Supervisor and APD to better assess the efforts of the Officers and address any deficiencies an Officer may have in his or her workload.

➤ *Augment and Revise the Mission of the Motors Unit*

IACP's recommendation was to revise the mission of the Motors Unit to include primary response to motor vehicle crashes. In 2017, the Motors Unit was reorganized to the Traffic Safety Section (TSS) and became the primary responders to motor vehicle crashes and traffic safety around the City.

The study recommended that an additional 6.00 Officers be added to this Unit. In January 2019, a total of 6.00 Officers were hired to the Traffic Safety Section for a grand total of 14.00 active Officers in the Unit.

Additional references include:

- Traffic Safety Plan <https://www.alexandriava.gov/uploadedFiles/police/info/FY18.19%20TSP.pdf>
- Vision Zero <https://www.alexandriava.gov/VisionZero>

➤ *Monitor and Manage Back-up Unit Response*

Overresponse to calls for service was a concern during the IACP analysis. With the assistance of the improved officer activity reports, Supervisors are better able to review and determine if overresponse occurs. Additionally, Supervisors have been trained to be alert and watchful of Calls for Service and remove units that are not needed.

INVESTIGATIONS

Primary Recommendations

Maintain Investigations Staffing for Criminal Investigations Section (CIS), Prioritize Investigations Staffing, Revisit Staffing for Vice/Narcotics

The IACP study found that CIS demands were met by the 45 assigned detectives. This unit currently has 7.00 vacancies due to retirements, promotions and some transfers. The process to fill those vacancies is currently underway.

The IACP analysis recommended that additional detectives may be needed in Vice/Narcotics to run that unit efficiently and safely. APD will conduct a workload analysis prior to assigning more detectives to Vice/Narcotics. A determination on whether or not to request additional resources and expand the unit will be made after that analysis is completed.

Additional references include:

- Reference FY18.19 Strategic Plan: <https://www.alexandriava.gov/100124>

➤ *Define Expectations and Monitor Case Closure Timelines, Utilize the Case Tracking System within Records to its Full Potential*

IACP noted a lack of consistency in monitoring case timelines and a lack of clarity. Supervisors are responsible for ensuring open cases are reviewed by Detectives every 30 days. Supplemental reports document investigative actions taken during these 30 days. Supervisors are also able to monitor case load of their Detectives by utilizing the Records Management System (RMS). Training on the full use of this technology system is in the planning phase.

Secondary Recommendations

➤ *Examine the Case Assignment Process for Investigations*

IACP recommended that the reporting process integrate and record the presence of solvability factors. The current RMS does capture these factors. Additionally, a Supervisor reviews the factors before assigning the case over to a Detective.

➤ *Add Redundancy to the Electronic Forensics Area, Revise the Case Reporting Practice of the Electronic Forensic Team*

IACP recommended that APD maintain consistent capacity to conduct electronic forensic investigations. This was completed with the reorganization of the Technical Investigation Section. Additionally, one Computer Forensic Examiner position (1.00 FTE) was added to this section.

➤ *Consider Revisions to the Domestic Violence Investigations Division and to the Preliminary Investigation of Domestic Violence by Patrol Officers*

IACP recommended the addition of a Supervisory position in the Domestic Violence (DV) Unit, which was created and filled. A supervisor was assigned to the Domestic Violence Unit which falls under the Crimes Against Persons Unit in CIS.

Regarding IACP's recommendation of the implementation of Lethality Assessment Protocols (LAP), the APD and City Domestic Violence Attorneys found that APD's current protocols are more in-depth and comprehensive and are able to be implemented quickly.

Supplemental Recommendations

➤ *Training*

IACP recommended a thorough analysis of the record-keeping practices regarding individual officer training, advocating for a process that engages leadership opportunities, mentorship, and mandatory community policing training.

The Training and Staff Development Section have addressed these issues. First with a proposed automated training management program that helps track individual training records. Manual efforts have also been made so that physical copies of completed training records are stored.

This section announces various opportunities for training in leadership. An example includes a newly developed 30-day Sergeant training process that helps to promote success for Officers moving to their first managerial position. Leadership training is also being developed on three different levels, from the executive level to patrol level by the Training Section.

Regarding mentoring, the APD Mentorship Program is in development, this program will offer new Officers the unique opportunity to be assigned a mentor. This type of program will greatly aid new Officers by assisting them with guidance and instruction during those first and very critical months of employment. Additionally, a female specific mentorship program is also in development.

APD is pursuing a grant to provide subject matter experts, in the area of mentorship and officer wellness, to provide customized training and technical assistance to agencies across the United States. This Mentorship Program will build on APD's on-going program to provide mentorship to new and existing employees.

Presently, this program focuses on new officer recruits. At the hiring of a new recruit/officer, they are assigned to the New Police Officer Training Unit in which the assigned sergeant in that unit guides them through-out the process of hiring, pre-Academy training, Academy training and then the first year as an officer with the department. This guidance prepares them for a career in law enforcement as well as builds a camaraderie among the officer that stays throughout their careers.

Additional References:

- FY18.19 Strategic Plan: <https://www.alexandriava.gov/100124>
- APD 21st Century Policing Plan <https://www.alexandriava.gov/97856>

➤ *Reevaluate Specialty Assignments*

IACP recommended that an internal analysis of sworn personnel be conducted to determine whether specialized Units should remain intact, supplemented and/or reduced. The Department addressed this through several reorganizations. In FY 2019, the APD switched from four bureaus to two bureaus, this switch allowed for sworn personnel in the supporting Units to be transferred back to the Field Operations Bureau, this Bureau includes, the School Resource Officer, K9, Motors, CSI and Parking and Hack.

➤ *Merge the COPS Unit and Crime Prevention Unit*

IACP recommended merging these Units because of similar missions. This was accomplished in the reorganization and both are now part of the Community Relations Division.

Additional References:

- FY18.19 Strategic Plan: <https://www.alexandriava.gov/100124>
- Community Relations Division: <https://www.alexandriava.gov/107398>

➤ *Improve Internal Communications*

Though the IACP noted good communication throughout the Department, some concern was raised about line-level Supervisors having a strong voice with those at command levels. The Chief of Police routinely encourages open and honest communication. The Chief accomplishes this with an open-door policy and address question and concerns from all levels within the department. This has encouraged line-level Supervisors to have a strong voice when communicating with those at the command levels.

➤ *Examine Staffing for Crime Analysis Unit*

The IACP analysis did not review the staffing of the Crime Analysis Unit but suggested internal review to determine if staffing levels were appropriate. With review of the Unit, one Crimes Analyst (1.00 FTE) is planned to be added to this Unit.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 9, 2019

Question:

Can you provide a staffing overview of Parking Enforcement? How many positions does the proposed budget fund? What revenue assumptions are made at that staffing level? What has been our actual staffing history over the past two years? What overhire authority exists and is proposed for parking enforcement in the proposed budget? Can you provide the NET financial impact for the addition of 1, 2, 5 & 10 parking enforcement positions beyond what is proposed by the City Manager? (Mayor Wilson)

Response:

The Parking Enforcement Unit consists of two full-time Parking Enforcement Supervisor positions and 24 full-time Parking Enforcement Officer (PEO) positions. The FY 2019 budget transferred five long term vacant PEO positions to offset the addition of six Traffic Safety Police Officer positions. Of the total 24 PEO positions, six are currently vacant (three PEO Is and three PEO IIs). These vacancies are the result of attrition and retirement. Despite efforts to fill vacancies and reclassify the PEO position to a higher grade (presently Grade 8), the Police Department is still experiencing difficulties retaining and recruiting attractive candidates.

For FY 2020, the Alexandria Police Department did not request additional positions, therefore the Unit remains constant with 24 PEO positions. Additionally, there has been no overhire authority request for Parking Enforcement due to there being vacant positions within the approved level. If the Police Department fills all of the PEO positions, the City Manager is open to considering reinstating overhire authority for PEOs. The primary goal of Parking Enforcement is to enforce and promote compliance with the City's parking regulations, not to generate revenue. As such, the Police Department does not ascribe financial targets to PEOs. The City-wide proposed budget for parking ticket revenue in FY 2020 is \$3.1 million, which is consistent with prior year actual receipts. However, based on a 27% drop in valid tickets issued which has recently come to light, this budget number has been reduced in the technical adjustments process to \$2.9 million. APD and other City departments, at the request of the City Manager, have started a top-to-bottom review of the PEO vacancy, utilization and parking ticket issuance factors.

Staffing history data on PEOs can be found below:

Budgeted vs. Actual PEO Positions by Fiscal Year

Fiscal Year	Budget	Actual	Net	Notes
FY 2019 (as of 7/1/2018)	24	21	-3	5 budgeted long-vacant PEO positions reallocated to Traffic Safety
FY 2018 (as of 7/1/2017)	29	23	-6	
FY 2017 (as of 7/1/2016)	29	20	-9	5 PEO positions added to the budget
FY 2016 (as of 7/1/2015)	24	22	-2	

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 25, 2019

Question:

Please provide some details on restaurant sales for the first part of FY19.

What were restaurant sales for last four years (gross totals) as in did they ever recover from when they were down?

Did the average sales per business also go up? (ie how many total businesses contributed and is that number up or down from the previous year?)

What is the % increase in total number of restaurants or businesses that remit meals tax?

What was our % population increase last year, and % increase in the number of jobs here?

What is the commercial vacancy for the last four years?

What was the retail sales revenue over last four years and in particular the first half of FY19?

How do our trends compare to Arlington and Fairfax for the same periods and for last two periods?

(Mayor Wilson and City Manager Jinks)

Response:

Based on the available data, increasing the Meals Tax rate from 4% to 5% has had no measurable impact on restaurant sales. This is comparable to the City's experience in 2008, the last time the rate was changed, and comparable to other jurisdictions that have raised their Meals Tax rate. As noted at the time of adoption, the additional 1% rate added approximately \$0.16 to the average meal cost of \$16. On a more expensive meal of \$50 for example, the added cost would only be \$0.50. The median Meals Tax rate in Virginia is 5%. Among cities alone, the median is 6%.

Since the rate increase, Alexandria restaurants have shown positive growth to date. For the first six months of FY 2019, gross sales for Alexandria restaurants are approximately \$244.0 million, up 1.97% over the \$239.3 million in the first six months of FY 2018.

This compares to approximately \$497 million in the first six months of FY 2019 in Arlington County, which reflects an increase of approximately 1.7%. Fairfax County does not levy a Meals tax, and restaurant information is not available for the first six months.

The following chart provides historical Meals tax data over the last four fiscal years. County data is an approximation, extrapolating from annual BPOL data:

Approximation of Gross Restaurant Sales (millions)						
Locality	Ave. Growth	FY 2019 Est.	FY 2018	FY 2017	FY 2016	FY 2015
Alexandria	1.66%	\$470	\$457	\$472	\$466	\$441
Arlington	3.27%	\$1,038	\$987	\$976	\$933	\$913
Fairfax Co.	3.42%	\$2,477	\$2,441	\$2,329	\$2,265	\$2,165
Number of Restaurants						
Locality	Ave. Growth	FY 2019 Est.	FY 2018	FY 2017	FY 2016	FY 2015
Alexandria	1.52%	472	461	460	449	445
Arlington	0.67%	880	876	871	873	857
Fairfax Co.	3.39%	2,380	2,278	2,176	2,071	2,096
Estimation of Sales Per Restaurant (averages; range may be significant)						
Locality	Ave. Growth	FY 2019 Est.	FY 2018	FY 2017	FY 2016	FY 2015
Alexandria	0.17%	\$1.00	\$0.99	\$1.03	\$1.04	\$0.99
Arlington	2.60%	\$1.18	\$1.13	\$1.12	\$1.07	\$1.07
Fairfax Co.	0.24%	\$1.04	\$1.07	\$1.07	\$1.09	\$1.03

On average, the City is showing positive growth in average sales per restaurant. Market fluctuations may be attributable to many things, not just tax rate elasticity. For example, the average City sales per restaurant increased in FY 2016, and decreased in FY 2017 and 2018, at a time of constant tax rates. Likewise, the average sales in Fairfax decreased in FY 2017, and is estimated to be slightly down in FY 2019, and yet that jurisdiction has no Meals Tax.

The following table provides our comparative population trend:

Population Est.	2018	2017	% Increase
Alexandria	151,300	150,900	0.27%
Arlington	225,200	222,800	1.08%
Fairfax Co.	1,152,873	1,142,900	0.87%
Source: Arlington, Fairfax, Alexandria Demographics Offices			

The following table provides comparative labor market trends:

Labor Market - Average Employment			
	3rd Qtr 2018	3rd Qtr 2017	C hange
Alexandria	91,889	93,529	-1.75%
Arlington	178,727	177,624	0.62%
Fairfax C o.	613,633	599,745	2.32%

Source: Labor Market Information, Community Profile, Virginia Employment Commission Quarterly Census of Employment and Wages (QCEW) for Multiple Industries for workers covered by State unemployment insurance and Federal workers covered by the Unemployment Compensation for Federal Employees. Employment data under the QCEW program represent the number of covered workers who worked during, or received pay for, the pay period including the 12th of the month. **Excluded** are members of the armed forces, **the self-employed, proprietors**, domestic workers, unpaid family workers, and railroad workers covered by the railroad unemployment insurance system.

Of the above data, the VEC shows the following when isolating just on the business category of "Accommodation and Food Services:"

Labor Market - Accommodation and Food Services Only			
	3rd Qtr 2018	3rd Qtr 2017	C hange
Alexandria	8,579	8,400	2.13%
Arlington	16,172	16,351	-1.09%
Fairfax C o.	46,025	46,072	-0.10%

Per the VEC, the "Accommodation and Food Services" sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.

The following table provides commercial vacancy rate data:

Office Vacancy Rates	Tax Year 2019	Tax Year 2018	Tax Year 2017	Tax Year 2016
Alexandria	12.00%	11.00%	11.00%	9.50%
Arlington	15.00%	18.00%	16.00%	14.00%
Fairfax	12.00%	12.00%	12.00%	12.00%
Restaurant Vacancy Rates	Tax Year 2019	Tax Year 2018	Tax Year 2017	Tax Year 2016
Alexandria	6.00%	6.00%	5.50%	5.00%
Arlington	6.00%	5.00%	5.00%	4.00%
Fairfax	3.00%	3.00%	3.00%	5.00%

The following table provides historical Sales tax data:

<u>Local Retail Sales Tax (millions)</u>					
	FY 2020 Est.	FY 2019 Est.	FY 2018	FY 2017	FY 2016
Alexandria	\$28.70	\$27.70	\$27.26	\$27.54	\$26.63
% Change	3.61%	1.62%	-1.03%	3.43%	3.93%
Arlington	\$44.70	\$43.26	\$42.01	\$41.20	\$39.68
% Change	3.33%	2.98%	1.97%	3.81%	0.23%
Fairfax	\$191.39	\$186.73	\$182.17	\$176.64	\$178.84
% Change	2.50%	2.50%	3.13%	-1.23%	1.40%

Finally, the following table provides Sales tax data for the first six months of FY 2019:

<u>Local Retail Sales Tax, 1st 1/2 FY 2019 (millions)</u>			
	1st Half, FY19	1st Half, FY18	Change
Alexandria	\$14.45	\$13.64	5.88%
Arlington	\$21.97	\$20.96	4.79%
Fairfax	\$93.79	\$90.75	3.34%

Note: FY19 for Fairfax excludes one-time state audit adjustment for prior years.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 7, 2019

Question:

Can you provide more information about what is received from our \$129,311 cost for the Sheriff's Office participation in the US Marshals Regional Fugitive Task Force? (Councilman Chapman)

Response:

Per a memorandum of agreement with the United States Marshals Service (USMS), the Sheriff's Office assigns one Deputy Sheriff to the Capitol Area Regional Fugitive Task Force (CARFTF). The CARFTF targets the most violent and dangerous fugitives who are wanted on serious felony charges. The Deputy assigned is sworn in as a U.S. Marshal and their primary responsibility is to investigate and serve high profile warrants and capias. The full services of the USMS are made available to the City through the CARFTF. This position also provides the Sheriff's Office access to federal databases and works in conjunction with the U.S. Marshal Fugitive Task Forces throughout the United States. Additionally, the USMS provides a vehicle and other specialized equipment for the Deputy, that are not readily available in-house. The value of these in-kind resources is approximately \$45,000.

Through this relationship, priority is given in the apprehension of Alexandria's most violent offenders by the CARFTF, as well as 24-hour assistance throughout the United States in the apprehension of these fugitives. Additionally, the State Compensation Board uses the total number of warrants served, including CARFTF warrants, as one of several factors in determining the Sheriff's Office funding.

An example of the coordinated work being performed can be seen in a 2011 case where a suspect wanted in Alexandria for murder, was apprehended in New York City by the U.S. Marshal Fugitive Task Force members and returned to Alexandria for trial. The U.S. Marshal Fugitive Task Force was also instrumental in the 2014 apprehension of an inmate who escaped from the Fairfax Hospital. Upon request, the USMS aided in transporting the out-of-state fugitives back to Alexandria through air services. Without this assistance, the Sheriff's Office would be required to send two Deputies throughout the country via commercial airlines to handle the transports.

The Sheriff's Office is projected to receive \$18,000 from USMS as a result of this position. These funds are used to offset overtime not only for the Deputy assigned, but to other Sheriff's Office staff performing the warrant service.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 19, 2019

Question:

Please describe how work is covered in the inmate detail? Do we keep track of the work done? Do we have an expectation of the work that will be done for the upcoming fiscal year? (Councilman Chapman)

Response:

The Inmate Work Detail program serves as an incentive and training program for inmates who meet specific criteria. The Inmate Work Detail completes public works projects throughout the City, which include but are not limited to beautification projects, regularly cleaning City parks, and dropping off and collecting barricades for special events. The cost of providing the program is approximately \$278,000 annually and requires two full-time Sheriff Deputies. These deputies are assigned to the inmate work detail program 100% of the time however, when necessary, they may be assigned to assist other support services staff, other Sheriff's Office divisions, and also assist with escorting contractors for major renovation projects and daily repairs in the detention center.

On an annual basis, the Inmate Work Detail completes over 50 projects and performs more than 2,000 service hours. In FY 2018, the Inmate Work Detail performed 2,040 hours of service, which would have otherwise cost the City \$75,960. As of FY 2019, the Inmate Work Detail has performed 688 hours of service, which would have otherwise cost the City \$36,300. The Sheriff Deputies who manage the program spend approximately 50 percent of their time escorting the inmates throughout the detention center facility and providing security services as needed.

Inmate Work Detail: Special Projects and Requests for Assistance

The Inmate Work Detail has handled requests and projects for the following City departments and anticipate completing the same and/or similar tasks going forward:

- Sheriff's Office (Public Safety Center)
- RPCA
- Courts
- General Services
- Finance

Completed the following projects on public property

- Distribute and collect barricades (annually)
 - Art on the Avenue
 - George Washington Parade
 - Founders Park for Alexandria Birthday
 - King Street Art Festival

- Lee Street Halloween Event
- Scottish Walk
- Turkey Trot
- St. Patrick's Day Parade
- Del Ray Music Festival
- Comcast Film Festival
- Christmas Market
- Landscaping (weeding, trash collection, general clean up) in the following areas:
 - Mt. Vernon Avenue
 - Lynhaven Community
 - Pickett Street
 - Van Dorn Street
 - Duke Street
 - Public Safety Center (PSC)
 - King Street Metro
 - Braddock Road Metro
 - Pendleton Park
 - Hume Springs
 - Oronoco Park
 - Founders Park
 - Breckenridge Cemetery
 - Holmes Run Parkway
 - Four Mile Trail
 - Ben Brenman Park
 - Animal Shelter
 - Durant Center
- Landscaping (ongoing/seasonal):
 - Collect and bag leaves at the PSC
 - Cut grass at Founders' Park
 - Cut grass at the K-9 lot
 - Cut grass at the motorcycle training/practice lot on Eisenhower Avenue

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 4, 2019

Question: Please provide any budget comments and feedback submitted through the OMB website.
(Roult, Director of Management & Budget)

Response: The following comment was received through the online feedback tool. This is the only response received as of March 3, 2019. Responses will be compiled on a weekly basis (as new comments are submitted) and posted as a budget question.

Comment # 1

Feedback: First, the City Council needs to address the elephant in the room...the impact of the restrictions/\$10,000 cap on state/local taxes on Federal income taxes to city residents on a fixed retirement. Currently, between real estate taxes, personal property taxes, refuge and recycling fee, stormwater runoff fees (aka government speak for creative taxation) equal 75% of the \$10,000 deduction cap for me. I am retired and on a fixed income that is quickly being consumed by Alexandria and Virginia taxes that are out of balance with services and value added intangibles for living in Alexandria.

Second, we live in The Beauregard Area Redevelopment zone and the abject failure of this project to materialize other than a ~300 unit high end apartment complex at 2000 North Beauregard is unacceptable and begs the question as to how much money was lost. The West End has suffered from traffic congestion along the Beauregard-Seminary Rd thoroughfare due in large part to poor traffic management design related to the new HOV/HOT on/off ramp on Seminary Rd and I-395. Approving a 300-unit upscale apartment complex adds ~600 +/- vehicles into an already congested traffic situation. I see no indication of any budget item to address the traffic congestion.

Third, we live in a private community under Virginia's HOA law. Our streets, sidewalks are private and not serviced or maintained by the City of Alexandria, yet we pay the same rate for our real estate taxes. Also due to a quirk of Virginia law ACPD is prohibited from patrolling our streets with the exception of responding to specific incident response requests. We pay a HOA fees to cover the operations and maintenance of our streets and common area including sidewalk snow removal of public sidewalks bordering our private community per Alexandria Ordinance. Why is there no credit, offset, etc to our real estate tax bill for this situation?

Note: Mr. Jinks statement that there is no tax increase required for this proposed budget is inaccurate at best and a misrepresentation at worst when he states that real estate values increased such that the average residential tax bill will increase by \$118/year. Since the City controls the assessments, establishes the tax rate, and the budget any net increase in real estate tax bills is a tax increase.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 11, 2019

Question: What would the cost and capacity to have all staff park in City and/or private lots at the same \$140 monthly proposed rate? (Councilman Chapman)

Response: Based on a survey of City employees in Old Town related to parking conditions around City Hall and the Courthouse, staff estimates that approximately 230 parking spaces would be required to accommodate City employees who currently park on the street in Old Town. The remaining City employees located in Old Town already park in City-owned or other privately-owned parking facilities or carpool or use public transportation.

There are currently 872 total parking spaces across seven (7) City-owned parking facilities. 370 of them accommodate public monthly parking accounts, including 139 spaces in the Courthouse Garage that are leased to the Washington Real Estate Investment Trust (WRIT) associated with their privately-owned/leased offices at the Courthouse complex. 128 parking spaces accommodate City employee monthly parking, and the remaining 374 parking spaces are daily, or transient, parking spaces.

	City-Owned Parking Facilities
Public Monthly Spaces	370 ¹
City Employee Monthly Spaces	128
Daily Spaces	374
Total Parking Spaces	872

1. The 370 figure includes 139 parking spaces leased to WRIT through 12/31/20

If **public monthly parking spaces** were converted to City employee parking spaces, it would cost the City \$40 per space per month in parking revenue (the difference between the \$180 per month public monthly parking rate and the City employee subsidized parking rate of \$140 per month), or \$480 per space per year. Therefore, the conversion of 230 public monthly parking spaces would result in a loss of approximately \$110,000 per year in parking revenue if the employee parking rate remains at \$140 per month.

If **daily parking spaces** were converted to City employee monthly parking spaces, it would cost the City approximately \$2,300 per space per year in annual parking revenue (the difference between the approximately \$4,000 per space per year in annual daily parking revenue (based on two turns per day per space) and the \$1,680 per space per year in annual revenue for City employee monthly parking spaces at the subsidized rate of \$140 per month). Therefore, the conversion of 230 daily spaces would result in a loss of approximately \$530,000 per year in parking revenue based on the current employee rate of \$140 per month.

Possible impacts resulting from the conversion of public monthly spaces or daily spaces in City-owned parking facilities to City employee monthly parking spaces may include: (1) an increase in on-street parking by the public, and (2) a decrease in the number of available parking spaces for visitors, local businesses and private employees.

Alternatively, leasing parking spaces in privately-owned parking garages in Old Town near City Hall and the Courthouse would have significant upfront costs to the City (approximately \$30,000 per month for 200 spaces, or \$360,000 per year) without any guarantee that employees would fully utilize the parking spaces due to the cost and/or distance to walk or take the bus to their work locations. If none of the spaces were utilized by employees, the City's cost would be \$360,000 per year. If all of the spaces were utilized by employees paying \$140/month, then the City's annual costs would be \$24,000 based on the current employee rate of \$140 per month. Actual utilization would likely be somewhere in between based on utilization rates. Privately-owned parking garages that have capacity for City employee monthly parking are generally at least a mile away from City Hall and the Courthouse which would require staff to either walk or take public transportation or for the City to provide a shuttle option.

Based on previous employee surveys, employees who park on the street generally park there because they can find free spaces; these employees are highly likely to be unwilling to pay the additional cost of paid employee parking no matter where it is (i.e. City-owned garages or private garages). In addition, many employees park on the street because it is more convenient to City Hall and the Courthouse; parking at Union Station or some other off-site location requires employees to utilize DASH or some other shuttle or trolley that some employees consider too inconvenient and too time consuming to be a viable option for getting to their work place. This behavior (low utilization of free employee parking due to off-site location) was observed when free employee parking was located at Jones Point and a City operated shuttle was made available. This behavior is also currently being observed at the free employee lot at Union Station (There are currently 85 spaces available at Union Station's gravel lot). The implementation of the options above could either cost these employees money and/or be deemed inconvenient by the affected employees. However, the 139 employees currently on the waiting list for employee parking in the City-owned parking facilities would more than likely take advantage of additional paid parking options if offered, which would cost \$67,000 (This is a revenue loss of \$40 for each of the 139 privately held spaces per month) by converting 139 private spaces into employee monthly spaces or \$320,000 from converting daily spaces to employee spaces.


These parking options will not completely resolve the employee parking issue since some of the employees that currently park on the street would not be willing to pay the subsidized parking rate and would continue to park on the street for free and move their car every few hours if required.

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 12, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: BUDGET MEMO #27: STATE BUDGET CHANGES

This memorandum responds to a question from Mayor Wilson requesting the impact of State budget changes in HB 1700, particularly as it relates to Education and Human Services.

The final budget (HB 1700) was approved by the House and Senate on February 24th, 2019 and the Governor's action deadline was March 26th, 2019. The Governor proposed several amendments and issued vetoes to legislation, which were then acted on at the April 3rd, 2019 Reconvene Session which were summarized in a March 29th, 2019 communication from Legislative Director Sarah Taylor. Legislative Director Taylor previously prepared a final update on the 2019 General Assembly Session which was presented to City Council during the February 26th Legislative Meeting (#19-1707). The below is a summary of changes notable to the City that have occurred since the February 26th and March 29th communications; there are no additional updates on items related to Education and Human Services:

- Update: No change to CSO Funding - The Governor's proposed amendments to the current biennial State budget included \$25 million in Virginia Public Building Authority (VPBA) bonds for the City's CSO project.
- Update: I-81 funding plan passed in April 3rd reconvene session. HB 2718/SB 1716 regarding I-81 funding – the Governor's amendments to these bills would provide \$150.9M/year to the Interstate 81 Corridor Improvement Fund to implement safety/reliability projects along I-81. Revenue raised from increased truck registration fees, phased in road and diesel tax, and an increased regional fuel tax along the I-81 corridor, totals \$278M. Revenue distribution includes \$20M for NVTa based on the number of truck miles traveled on Interstate highways in Planning District 8.
- Update: Additional Funding for Census - did not pass in April 3rd reconvene session. The Governor added \$1.5 million to "ensure that each person in Virginia is counted in the

upcoming census” as “an accurate census count is critical to guaranteeing the Commonwealth receives all of the federal funding we are due”.

- Update: General Assembly clarified that the \$40 million “set aside” for Amazon was not “off the top” but rather the first \$40 million in internet sales tax monies after this funding goes through the formula for localities, K12 and transportation. The Governor added an amendment to the budget that removed \$40 million in “set aside” money for the future Amazon incentives, which would have come from the first \$40 million in internet sales tax revenue collected by the state and would have reduced funding for K-12, transportation and localities.

ATTACHMENTS:

Attachment I – 19-1707 Update on the General Assembly Session

Attachment II – State Budget Changes Update -March 29th



Legislation Details (With Text)

File #: 19-1707 **Name:** General Assembly update
Type: **Status:** Agenda Ready
File created: 1/30/2019 **In control:** City Council Legislative Meeting
On agenda: 2/26/2019 **Final action:**
Title: Consideration of a Final Update on the 2019 General Assembly Session.
Sponsors:
Indexes:
Code sections:
Attachments: 1. 19-1707_package-bills-update-02-21-2019.pdf

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 20, 2019
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:
Consideration of a Final Update on the 2019 General Assembly Session.

ISSUE: Update on the 2019 General Assembly Session.

DISCUSSION: The 2019 General Assembly Session began on January 9 and plans to adjourn sine die on February 23. The Reconvened, or Veto, Session - where the General Assembly accepts or rejects the Governor's amendments and vetoes to bills - will be held April 3. Sarah Taylor, the City's Legislative Director, continues to represent the City in Richmond during the General Assembly Session.

Note that the status of legislation and budget items as presented in this memo are current only as of the date of the memo. Staff will give final updates on items at the February 26 Council Meeting.

Updates on City Priority Legislation: The City's 2019 Legislative Package included three priority items: securing funding for the City's CSO project, securing funding and/or financing opportunities for school

construction and renovation, and protecting funding for localities.

CSO Funding - The Governor's proposed amendments to the current biennial State budget included \$25 million in Virginia Public Building Authority (VPBA) bonds for the City's CSO project. The Senate budget proposal included that bond funding for the CSO project while the House's budget proposal did not include CSO funding. Because it was included in the Senate's budget proposal, the item is up for consideration during the Budget Conference process, where conferees resolve differences in the House and Senate budget proposals. As of the date of this memo, the final budget had not been released.

Funding for School Renovation and Construction - The Governor's proposed budget amendments include \$80m through the Literary Fund for school construction loans to cover all outstanding requests to the Literary Fund for school construction. This funding would not provide revenue for any new requests to the Literary Fund for school construction. The Senate's budget proposal included an additional \$70m to the Literary Fund for additional requests to the Fund for school construction. This item is up for consideration during the Budget Conference process but, as of the date of this memo, the final budget had not been released.

Sen. Stanley and Sen. Marsden filed SB 1702, which creates the Public School Assistance Program, with the purpose of providing grants to school boards for the purpose of repairing or replacing the roofs of public elementary and secondary school buildings in the local school division. The Program would be administered by the Department of Education and would give priority in the award of grants to school boards that demonstrate the greatest need based on the condition of existing school building roofs and the ability to pay for the repair or replacement of such roofs. The bill passed out of the Senate but was left in House Appropriations.

In addition, legislation was filed by Del. James Edmunds (HB1634) which would authorize localities to impose an additional local sales and use tax, if initiated by a resolution of the local governing body and approved by the voters at a referendum, where the revenue would be used solely for capital projects for the construction or improvement of schools. The bill was resurrected by the Patron by narrowing the proposal to apply only to the Town of Hopewell rather than to all localities statewide. The bill, as amended, passed out of the Senate and will be reconsidered, as amended, by the House.

Protecting Funding for Localities - SB 1083 (Ruff) and HB 1722 (Bloxom) emerged as the vehicle in the Senate for the allocation of new State internet sales tax revenue. The bills protect the existing formula in place for "brick and mortar" sales tax revenue, which includes "off the top" funding for localities, K-12 education, and transportation. The bills were conformed and the House version was passed out of both bodies and is on to the Governor for his signature.

In addition, both the Senate and House budget proposals included taking money from the Communications Sales and Use Tax Fund. The Senate proposed taking \$2 million from the Fund for general appropriation; the House proposed taking \$2 million from the Fund for use in broadband expansion in underserved areas. These items are up for consideration during the Budget Conference process, where conferees resolve differences in the House and Senate budget proposals. As of the date of this memo, the final budget had not been released.

Other City Package Legislation: The City has worked with a number of legislators on bills in support of items in the City's 2019 Legislative Package.

Plastic Bag Tax/Fee - All measures which would allow localities to levy a fee or tax on single use plastic shopping bags at large retail stores have failed.

Minimum Wage - All measures to raise the minimum wage in Virginia have failed.

Common Sense Gun Reforms - All measures in the area of “common sense gun reform” have failed.

Equal Rights Amendment (ERA) - While the full Senate passed a resolution for Virginia to ratify the federal Equal Rights Amendment (SJ 284, Sturtevant), the House Privileges and Elections Subcommittee passed the bill by indefinitely on a party line 4 to 2 vote. The House version of the resolution, HJ 579 (Carroll Foy), was also passed by indefinitely in the House Privileges and Elections Subcommittee on a party line 4-2 vote. Attempts are continuing in the House to use procedural motions to advance the Senate version direct to the House floor for a vote by the full House of Delegates. Most recently, members of the House have introduced several changes in the House Rules that will allow the measure to get to the House floor for a vote before sine die.

Domestic Violence - HB 2417 (Herring), which would have clarified the conditions placed on respondents on Emergency Protective Orders to better protect the petitioner as well as give clarity to the respondent, was Passed By Indefinitely by the Senate Courts of Justice Committee. However, the bill was sent to the Committee on District Courts and the issue will be reviewed during the interim by the Committee with the goal of coming up with a bill on the topic for the 2020 session.

SB 1276 (Ebbin/Stanley) was rolled into SB 1604 (DeSteph), which makes aggravated cruelty against a dog or cat a Class 6 felony. The original bill would have made the abuse of household animals/pets when done as a form of control and intimidation against a household member a felony. While we feel our original bill was more narrowly tailored and was focused on domestic violence victims specifically rather than animals, we believe that this legislation will give law enforcement a tool they can use to protect domestic violence victims who experience animal cruelty in their homes as part of the violence perpetrated against them. SB 1604 passed out of the Senate and House committees and is up for consideration by the full House.

Scooters and E-Bikes - Legislation drafted by scooter companies to define and lay out the regularity authority for these burgeoning transportation options, HB 2752 (Pillion), passed out of the House and Senate and is on to the Governor for his consideration. City staff worked with the patron, lobbyists for the scooter companies, and other local government liaisons on language that does not impact the City’s current scooter pilot projects and protects local authority to regulate and manage scooters and e-bikes in our community.

Municipal Net Metering - City staff has been working with Del. Kathy Tran on legislation which would allow localities in Dominion and ApCo territory to get credit for excess renewable energy generated at a location owned, leased or operated by a locality. The pilot program outlined in the bill opens the door to non-contiguous net metering by localities and has the support of numerous localities as well as the energy companies. HB 2792 (Tran) passed out of the House and Senate and is on to the Governor for his consideration.

Access to Voting - While many bills were filed regarding access to voting, two bills to expand early and/or absentee voting in the Commonwealth are currently still alive. SB 1026 (Spruill) and HB 2790 (Rush), which would allow for no excuse absentee voting, are being considered by the House and Senate. Note that these bills include a delayed enactment and no-excuse in person absentee voting would apply to elections beginning with the general election on November 3, 2020.

Redistricting and Gerrymandering - Two bills related to redistricting and gerrymandering have advanced in the Senate.

SB 1579 (Suetterlein), which passed out of both the Senate and House, forbids districts to be shaped irregularly or have contorted boundaries unless they adhere to political boundary lines.

In addition, the House and Senate have each passed constitutional amendments to require the establishment of decennial state redistricting commissions. SJ 306 (Barker) would amend the state constitution to establish an independent redistricting commission of 16 members: eight citizen members and eight legislative members. Out of the citizen members, there would be two Republicans, two Democrats and four independents. Out of the legislative members, there would be four Republicans and four Democrats. The bill would require that the districts be approved by six of eight legislators and by six of eight citizens to avoid any subgroup dominating over other groups.

In addition to addressing the issue of a statewide redistricting commission by a slightly different process, the House version (HJ 615 - Cole) takes the added step of requiring any locality using wards or districts in its own elections to also establish a redistricting commission. Because Alexandria uses districts in its school board elections, this could have an impact on the City.

Differences in SJ 306 and HJ 615 will be addressed in conference committee.

Net Neutrality - Legislation filed by Del. Lee Carter (HB 1755) to require that the principles of net neutrality be in force in Virginia was passed by indefinitely in the House Commerce and Labor Subcommittee on a 7-1 vote.

Marijuana Decriminalization - All legislation filed to decriminalize simple marijuana possession in Virginia, including SB 997 (Ebbin), has been defeated.

Appomattox Statue - Legislation filed by Del. David Toscano (HB 2377) to allow localities to remove or provide for the upkeep, maintenance, or contextualization of any monument or memorial for war veterans located in its public space, including Confederate War monuments, failed in the House Counties Cities and Towns Subcommittee on a 2-6 vote.

Driver's Licenses for Undocumented Immigrants - All bills filed to enable undocumented immigrants to obtain a driver's license - which would provide access to the privilege of driving and serve as proof of identity, not citizenship - have failed.

Communal ABC Permit - Legislation to create an ABC permit for local groups that would allow for open containers within a designated, managed common area during a permitted event (SB 1171, McPike) passed out of the Senate and House and are on to the Governor for his consideration.

Local Option for Setting the Opening Day of School - Legislation that would give local school boards the authority to set their school calendar and determine the opening day of school (SB 1005, Chase) passed out of both the Senate and House and is next up for consideration by the Governor.

Additional information on legislation relating to the 2019 City Package is included in Attachment 1 (Status of City Package Bills to Date).

Other Legislation of Interest to the City: In addition to legislation included in the City's Legislative Package, a number of other bills of interest to the City have seen legislative action in the General Assembly.

Amazon HQ2/VaTech Innovation Campus - Legislation approving the incentive package for the Amazon HQ2 development in Arlington (SB 1255 - Ruff) was approved by both the Senate (35 to 5) and the House (83 to 16) and was signed by the Governor.

The legislation creating the Tech Talent Investment Program and Fund (SB 1617), the vehicle for funding for the VaTech “innovation campus” in Alexandria, was filed by Sen. Frank Ruff and passed out of both the Senate and House, with differences between the versions passed by the bodies. The bill is in conference committee to resolve these differences.

Funding for the Maintenance of Historic African American Cemeteries - City staff worked with Del. Charniele Herring to file legislation to ensure that the City has access to state funding earmarked for the preservation and maintenance of historic African American cemeteries. The legislation, HB 2739, includes \$9,715 for the maintenance and preservation of 1,943 eligible graves at the historic African American cemeteries in Alexandria that the City owns or maintains - Douglas Cemetery, Lebanon Union Cemetery, Methodist/Protestant Cemetery, Penny Hill Cemetery, Contrabands and Freedmen Cemetery, and Baptist Cemetery at the African American Heritage Park. The bill passed out of the House and Senate and we are waiting to see if there is funding in the final budget for the measure.

Cut-Through Traffic - Del. Kathleen Murphy of the McLean/Great Falls area of Fairfax filed legislation, HB 2033, which would allow Fairfax County to, by ordinance, develop a program to issue permits or stickers to residents of a designated area that will allow residents to make turns into or out of the designated area during certain times of day where such turns would otherwise be restricted. The legislation has passed out of the House and Senate and is next up for consideration by the Governor.

Clean Air Initiatives and Funding - There are some concerns about HB 2269 (Poindexter) which passed out of both the House and Senate and has gone on to the Governor for his consideration. The bill would prohibit the Governor or any state agency from adopting any regulation establishing or bringing about the participation by the Commonwealth in the Transportation and Climate Initiative or any other regional transportation sector emissions program. City staff have concerns that this legislation conflicts with the City’s sustainability and climate change efforts and may have implications on federal CMAQ/RSTP funds. By forcing a two-thirds votes prior to participating in the Transportation Climate Initiative or “transportation sector emissions program,” it will severely limit the Governor and state agencies from pursuing potential federal funds and prevent the Commonwealth from addressing transportation sector emissions, which is currently the largest contributor to climate change. While it is unclear whether this would impact existing programs such as CMAQ, that may pose a potential \$4.5 million annual impact to the City.

ATTACHMENTS: Status of City Package Bills as of February 20, 2019

STAFF: Sarah Taylor, Legislative Director

Bill	Title	Primary Sponsor	Last Action
HB1634	Sales & Use Tax; additional local tax in Halifax County.	Delegate James E. Edmunds, II	House: VOTE: ADOPTION #2 (77-Y 23-N)
HB1652	School calendar; opening day of the school year.	Delegate Roxann L. Robinson	Governor: Governor's Action Deadline Midnight, March 25, 2019
HB1786	Vehicles on sidewalks; use of power-driven mobility devices.	Delegate Chris L. Hurst	Governor's Action Deadline Midnight, March 25, 2019
HB1914	Public health practitioners; requirements for issuing prescriptions, exceptions.	Delegate Charniele L. Herring	House: Bill text as passed House and Senate (HB1914ER)
HB2192	Public school buildings and facilities; modernization.	Delegate Nick Rush	VOTE: ADOPTION (96-Y 1-N)
HB2540	Sales and Use Tax; reduced rate on essential personal hygiene products.	Delegate Kathy J. Byron	Senate requested conference committee
HB2748	Tobacco products, nicotine vapor products, etc.; purchase, possession, and sale.	Delegate Christopher P. Stolle	Signed by President
HB2752	Motorized skateboards or scooters; clarifies definition, local authority.	Delegate Todd E. Pillion	Passed Senate (40-Y 0-N)
HB2792	Electric utilities; municipal net energy metering.	Delegate Kathy K.L. Tran	Bill text as passed House and Senate (HB2792ER)
SB1005	School calendar; opening day of the school year.	Senator Amanda F. Chase	VOTE: PASSAGE (80-Y 17-N)
SB1026	Absentee voting; no-excuse absentee.	Senator Lionell Spruill, Sr.	VOTE: PASSAGE (89-Y 10-N)
SB1038	Voter registration; verification of social security numbers, provisional registration status.	Senator Mark J. Peake	House: Passed House with amendment (51-Y 49-N)
SB1087	Election districts; requirements for precincts, remedying split precincts.	Senator Mark D. Obenshain	House requested conference committee
SB1171	Alcoholic beverage control; creates local special events license.	Senator Jeremy S. McPike	Bill text as passed Senate and House (SB1171ER)
SB1331	Public school buildings and facilities; modernization.	Senator William M. Stanley, Jr.	Senate: House substitute agreed to by Senate (39-Y 1-N)
SB1715	Retail Sales and Use Tax; exemption for menstrual supplies.	Senator Jennifer B. Boysko	Senate requested conference committee
SB1727	Tobacco products, nicotine vapor products, etc.; purchase, possession, and sale.	Senator Thomas K. Norment, Jr.	Governor's Action Deadline Midnight, Midnight, February 21, 2019
SI275	Persons in Commonwealth; reaffirming equal protection under the law.	Senator Amanda F. Chase	Reported from Courts of Justice (17-Y 0-N)
SI306	Constitutional amendment; Virginia Redistricting Commission (first reference).	Senator George L. Barker	VOTE: ADOPTION (51-Y 48-N)
HB2140	School calendar; opening of the school year, good cause waiver.	Delegate Robert M. "Bob" Thomas, Jr.	DEAD
HB1641	Absentee voting; no-excuse absentee.	Delegate Charniele L. Herring	DEAD
HB1646	Virginia Preschool Initiative; enrollment, funding.	Delegate Jeffrey M. Bourne	DEAD
HB1669	Disposable paper and plastic bags; local taxation per bag when provided to consumers.	Delegate Betsy B. Carr	DEAD
HB1755	Broadband services; prohibited features.	Delegate Lee J. Carter	DEAD
HB1763	Firearms; removal from persons posing substantial risk of injury to himself, etc., penalties.	Delegate Richard C. "Rip" Sullivan, Jr.	DEAD
HB1794	Early voting; any registered voter allowed to vote early without providing reason, etc.	Delegate Schuyler T. VanValkenburg	DEAD
HB1811	Handheld personal communications devices; use while driving.	Delegate Christopher E. Collins	DEAD
HB1823	Virginia Fair Housing Law; unlawful discriminatory housing practices.	Delegate Kelly K. Convors-Fowler	DEAD
HB1850	Minimum wage; increases to \$9.00 per hour effective July 1, 2019.	Delegate Marcus B. Simon	DEAD
HB2067	Public employment; prohibits discrimination on basis of sexual orientation or gender identity.	Delegate John J. Bell	DEAD
HB2090	Remote sales & use tax collection; sufficient activity by dealers & marketplace facilitators, etc.	Delegate Vivian E. Watts	DEAD
HB2095	Local prohibition on single use plastic and expanded polystyrene products; local tax.	Delegate Elizabeth R. Guzman	DEAD
HB2157	Minimum wage; increases to \$10.10 per hour effective January 1, 2020, etc.	Delegate Kenneth R. Plum	DEAD
HB2194	Retail Sales and Use Tax; exemption for menstrual supplies.	Delegate Debra H. Rodman	DEAD
HB2200	Voter referendum; independent redistricting commission.	Delegate Michael P. Mullin	DEAD
HB2214	Motorized skateboards or foot-scooters; operation, local authority.	Delegate Jerrauld C. "Jay" Jones	DEAD
HB2232	Motorized skateboards or foot-scooters; operation, local authority.	Delegate Lamont Bagby	DEAD
HB2417	Emergency protective order; required conditions, petition to dissolve or modify.	Delegate Charniele L. Herring	DEAD
HB2421	Discrimination; sexual orientation and gender identity.	Delegate Mark H. Levine	DEAD
HB2472	Hate crimes; adds gender, disability, gender identity, or sexual orientation, penalty.	Delegate Kenneth R. Plum	DEAD
HB2631	Minimum wage; local alternative.	Delegate Mark H. Levine	DEAD
HJ639	Constitutional amendment; Virginia Nonpartisan Redistricting Commission created.	Delegate Betsy B. Carr	DEAD
HJ640	Constitutional amendment; qualifications to vote, restoration of civil rights (first reference).	Delegate Betsy B. Carr	DEAD

HJ650	Constitutional amendment; Virginia Redistricting Commission established (first reference).	Delegate Kenneth R. Plum	DEAD
SB997	Marijuana; decriminalization of simple possession, penalty.	Senator Adam P. Ebbin	DEAD
SB1017	Minimum wage; increases to \$8.00 per hour effective July 1, 2019.	Senator David W. Marsden	DEAD
SB1033	Body-worn camera; release of recordings, penalty.	Senator William M. Stanley, Jr.	DEAD
SB1035	Absentee voting; no-excuse absentee.	Senator Mamie E. Locke	DEAD
SB1052	Body-worn camera; release of recordings, penalty.	Senator Amanda F. Chase	DEAD
SB1055	In-state tuition; domicile, individuals granted Deferred Action for Childhood Arrivals.	Senator David W. Marsden	DEAD
SB1070	Disposable paper and plastic bags; local taxation.	Senator Adam P. Ebbin	DEAD
SB1074	School calendar; local school board in No. Va. responsible for setting opening day of school year.	Senator Janet D. Howell	DEAD
SB1075	Absentee voting; no-excuse in-person available 21 days prior to election.	Senator Janet D. Howell	DEAD
SB1096	Minors; allowing access to firearms, penalty.	Senator Janet D. Howell	DEAD
SB1109	Virginia Fair Housing Law; unlawful discriminatory housing practices, etc.	Senator Jennifer L. McClellan	DEAD
SB1113	School calendar; local school board in No. Va. responsible for setting opening day of school year.	Senator Barbara A. Favola	DEAD
SB1116	Plastic bags; tax in the Chesapeake Bay Watershed.	Senator J. Chapman Petersen	DEAD
SB1199	Public employment; inquiries by state agencies and localities regarding criminal convictions, etc.	Senator Rosalyn R. Dance	DEAD
SB1200	Minimum wage; increase to \$10 per hour effective July 1, 2019.	Senator Rosalyn R. Dance	DEAD
SB1230	Family or household member; adds to existing definition.	Senator Adam P. Ebbin	DEAD
SB1232	Virginia Fair Housing Law; unlawful discriminatory housing practices.	Senator Adam P. Ebbin	DEAD
SB1267	Remote sales and use tax collection; sufficient activity by dealers and marketplace facilitators.	Senator Richard H. Stuart	DEAD
SB1276	Cruelty to animals with intent to intimidate or threaten a household member; penalty.	Senator Adam P. Ebbin	DEAD
SB1281	Voter identification; expiration date of Virginia driver's license not considered.	Senator George L. Barker	DEAD
SB1294	Remote sales & use tax collection; sufficient activity by dealers & marketplace facilitators, etc.	Senator Janet D. Howell	DEAD
SB1330	Voter referendum; school modernization commission.	Senator William M. Stanley, Jr.	DEAD
SB1337	State sales and use tax by remote sellers; collection, disposition of revenue, report.	Senator Mark J. Peake	DEAD
SB1390	Remote sales and use tax collection; disposition of revenues.	Senator Frank W. Wagner	DEAD
SB1467	Protective orders; possession of firearms, surrender or transfer of firearms, penalties.	Senator Richard L. Saslaw	DEAD
SB1500	Remote sales & use tax collection; sufficient activity by dealers & marketplace facilitators, etc.	Senator Emmett W. Hanger, Jr.	DEAD
SB1601	Sales and Use Tax; remote collection, marketplace facilitators, etc.	Senator Thomas K. Norment, Jr.	DEAD
SJ261	Constitutional amendment; qualifications of voters and the right to vote (first reference).	Senator Mamie E. Locke	DEAD
SJ262	Constitutional amendment; qualifications of voters and the right to vote (first reference).	Senator L. Louise Lucas	DEAD
SJ270	United States Constitution; ratifies Equal Rights Amendment.	Senator Richard L. Saslaw	DEAD
SJ283	Constitutional amendment; qualification of voters, restoration of civil rights.	Senator Emmett W. Hanger, Jr.	DEAD
SJ284	United States Constitution; ratifies Equal Rights Amendment.	Senator Glen H. Sturtevant, Jr.	DEAD

Red text: City Position - Opposed

From: Sarah G. Taylor
Sent: Friday, March 29, 2019 5:40 PM
To: City Council <CityCouncil@alexandriava.gov>
Cc: City Council Aides <CityCouncilAides@alexandriava.gov>; Mark Jinks <Mark.Jinks@alexandriava.gov>; Emily Baker <Emily.Baker@alexandriava.gov>; Debra Collins <Debra.Collins@alexandriava.gov>; Laura Triggs <Laura.Triggs@alexandriava.gov>; Alexis Quinn <alexis.quinn@alexandriava.gov>; Sermaine McLean <Sermaine.McLean@alexandriava.gov>
Subject: Items of note for next week's "Veto Session"

Mr. Mayor, Members of Council:

In advance of next week's "Veto Session" of the General Assembly, which will be held on Wednesday, April 3, I wanted to share some of the amendments and vetoes that the Governor has proposed that are of particular interest to the City. Note that the Governor has issued 17 [vetoes](#) and [recommended amendments](#) to 47 bills, including [40 amendments](#) to the budget bill.

All amendments are subject to the approval of the General Assembly and vetoes may be upheld or defeated by the General Assembly at next week's "Veto Session."

The Governor has proposed the following amendments to bills that passed the General Assembly during the 2019 session:

- [HB 2718/SB 1716](#), re: I-81 funding – the Governor's [amendments](#) to these bills would provide \$150.9M/year to the Interstate 81 Corridor Improvement Fund to implement safety/reliability projects along I-81. Revenue, raised from increased truck registration fees, phased in road and diesel tax and an increased regional fuel tax along the I-81 corridor, totals \$278M. Revenue distribution includes \$20M for NVTa based on truck miles traveled on Interstate highways in Planning District 8. Note that there is some question as to whether the Speaker will consider the Governor's amendments germane to the bill, as the original bill had to do with tolling on I-81 while the amendments generate revenue for I-81 through fees and taxes.
- [SB 1768](#), re: distracted driving – the Governor announced [amendments](#) to this bill that would prohibit drivers from holding a communications device while driving. Note that Speaker Cox has indicated that he believes the amendment is out of order and will not be considered by the House of Delegates next week.
- [SB 1554](#), re: FOIA penalties – As passed, the bill allows (but does not require) a court to add an additional penalty when an improper closed session was held, and the local government attorney was present at the time of certification. The Governor's [amendments](#) remove the reference to the local government attorney being present at the time of certification and include mitigating factors that the court may consider in determining if a penalty should be imposed.

The Governor has issued vetoes to the following legislation of interest to the City:

- [HB 2270](#) re: enforcement of federal immigration laws by local law enforcement – Would have required the sheriff, jail superintendent, or other official in charge of a local correctional facility or a regional jail in which an “alien” is incarcerated to notify U.S. Immigration and Customs Enforcement of the release or discharge of the “alien” “as soon as the release date is known.” In his [veto message](#), the Governor noted that if this bill were to become law it “would send a clear message to people across the Commonwealth that our public safety agencies are to be feared and avoided rather than trusted and engaged.
- [SB 1156](#) re: “Sanctuary Cities” – Bill prohibited the establishment of sanctuary policies, stating that “no locality shall adopt any ordinance, procedure, or policy intended to restrict the enforcement of federal immigration laws.” In his [veto message](#), the Governor noted that the bill would divert State and Local law enforcement resources for “political purposes” and would have imposed an “unnecessary and divisive requirement upon localities regarding the enforcement of federal immigration laws.”
- [HB 2269](#) re: regional programs to combat air pollution – Would have prohibited the Governor or any state agency from adopting any regulation establishing or bringing about the participation by the Commonwealth in the Transportation and Climate Initiative or any other regional transportation sector emissions program without a supermajority vote of the legislature. [Vetoed](#) by the Governor. City staff expressed concerns that this legislation conflicted with Alexandria’s sustainability and climate change efforts and could have had implications on federal CMAQ/RSTP funds — a potential \$4.5 million annual impact to the City of Alexandria.
- [HB 2611](#) re: Regional Greenhouse Gas Initiative – Would have prohibited the Governor or any state agency from adopting any regulation establishing a carbon dioxide cap-and-trade program or bringing about the participation by the Commonwealth in a regional market for the trading of carbon dioxide allowances without a supermajority vote of the legislature. [Vetoed](#) by the Governor. City staff expressed concerns that this legislation conflicted with Alexandria’s sustainability and climate change efforts and could have had implications on federal CMAQ/RSTP funds — a potential \$4.5 million annual impact to the City of Alexandria.
- [HB 2749](#), re: TANF reporting – would have directed the Department of Social Services to report annually by Dec 1 to the Chairmen of the Senate Committee on Rehabilitation and Social Services and the House Committee on Health, Welfare and Institutions information regarding the number of reported violations of restrictions on the use of Temporary Assistance for Needy Families (TANF) cash assistance, including the number of reported cases involving multiple violations of such restrictions. In his [veto explanation](#), Gov. Northam called the bill a solution looking for a problem, asserting that there is no evidence to suggest TANF violations are an issue in Virginia and stating that “the only purpose of this bill is to codify a false and discriminatory stereotype about hard-working Virginia families who may temporarily need cash assistance.”

In his [amendments](#) to the budget, the Governor included the following amendments of interest to the City:

- An additional \$4 million for the Virginia Housing Trust Fund, a “critical tool in addressing affordable housing in the Commonwealth;”
- Added \$910,000 in funding to enhance the efforts of our Department of Small Business and Supplier Diversity to “ensure that small, woman-owned, and minority-owned businesses receive needed support and the chance to successfully compete for procurement opportunities in the Commonwealth;”
- Added \$1.5 million to “ensure that each person in Virginia is counted in the upcoming census” as “an accurate census count is critical to guaranteeing the Commonwealth receives all of the federal funding we are due;”
- Included language that would allow any monies not spent on the United States Corps of Engineers Regional Reconnaissance Flood Control Study for both the Hampton Roads and Northern Neck regions as authorized by the U.S. Congress to be used to conduct a “comparable study” in Northern Virginia;
- Removed \$40 million in “set aside” money for the future Amazon incentives, which would have come from the first \$40 million in internet sales tax revenue collected by the state and would have reduced funding for K-12, transportation and localities;
- Clarifying that school divisions that cannot meet the requirements of the 3 percent teacher salary increase approved in last year’s budget can claim all or a portion of the 2 percent state salary funding increase appropriated in the 2019 Budget (provided that the local school division provides the salary increase between July 1, 2019, and September 1, 2019). School divisions that qualified for the 3 percent funding must provide up to an additional 2 percent in salary increases to be eligible for some or all the new funding approved in this year’s Budget.

In addition, the Governor has proposed [language-only amendments](#) that undo restrictions that were placed on the use of state funding, including:

- Removing language that would restrict the Commonwealth’s ability to join and use proceeds from the Regional Greenhouse Gas Initiative, “an important way for us to address the negative effects of climate change;”
- Additional language that will eliminate the suspension of driving privileges for nonpayment of court fines and costs. This amendment would also reinstate driving privileges for the more than 627,000 Virginians who currently have their licenses suspended;
- Language that would disallow a “marketplace facilitator” (eBay) from making a written appeal to the Department of Taxation for a suspension or delay of the collection and reporting of internet sales taxes in the Commonwealth

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City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 15, 2019

Question:

What has been spent on Wayfinding so far? How much are we spending on it this year or the next couple of years? (Councilman Chapman)

Response:

Transportation Signage and Wayfinding program expenditures to-date total \$1.34 million, including approximately \$766,000 on signage construction and installation and \$576,000 on signage guidelines initial planning and development.

Currently three phases of the Wayfinding Project have been completed. Phase 1 consisted of parking guidance signage in Old Town, Phase 2 consisted of pedestrian pointers and pedestrian kiosks in Old Town, and Phase 3a consisted of vehicular directional signage in Old Town. Phase 3b, additional vehicular directional signage, is currently under construction with a completion date of April 2019. Additionally, pedestrian directional signage for businesses located off King Street in Old Town has also been completed.

For the remainder of FY 2019, an additional \$150,000 in expenditures is projected for Phase 3b vehicular directional signage. For FY 2020, expenditures are expected to be \$525,000 for Phase 4 and Phase 5, which will include interpretive signage, City Gateway signage, and destination identification signage for parks. In FY 2021, planned expenditures are \$432,000 for Phase 6 destination identification signs for civic and historic sites, and in FY2022, planned expenditures are \$241,000 for Phase 7 interpretive panels and district markers. The wayfinding project is scheduled for completion at the end of FY 2022.

Additional wayfinding project information can be found within the budget document on Pages 10.09 and 10.10 of the [Community Development](#) portion of the proposed FY 2020 – FY 2029 Capital Improvement Program.

The expenditures to-date and status of the City's active capital projects are reported to City Council periodically in the City's [Quarterly Capital Projects Status Report](#). In the FY 2019, 1st Quarter Report, financial information on the Transportation Signage and Wayfinding program can be found on page 40.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 12, 2019

Question:

What is the actual acreage of City-owned land in the Witter/Wheeler area? (Mayor Wilson)

Response:

The Witter-Wheeler Campus is approximately 53.6 acres. While the study area includes the entire campus, the study is focusing on assets that have outlived their lifespan or have a Facility Condition Index of C or less, with significant program issues to address. Newer facilities including the Alexandria Police Department Center, and DASH Operations and Maintenance Facility are not a primary consideration for repurpose due to excellent condition of these assets. Approximately 43.8 acres are the primary focus of realignment/ repurpose efforts.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 15, 2019

Question:

Can you provide an estimate of the savings that will result from implementing E-Citations for moving violations? (Councilman Aguirre)

Response:

Automating traffic citations will save the Police Department an estimated 3,000 hours in time currently spent on manual citations that will be reallocated to other duties.

The current Police traffic citation process is a paper-based system that requires manual data entry. The manual process may result in data entry errors, data entry delays, and insufficient data analysis. When fully implemented, the E-Citations program will automate the ticketing process for moving violations from the creation of the ticket to processing within the courts. The project's benefits include reducing the time needed to process citations, statistical information, auto-complete features, and an automated data interface to the Police records management system.

The E-Citations system will reduce the time it takes to issue a Virginia Uniform Summons (VUS) or ticket from approximately 15 minutes to 7 minutes. The Alexandria Police Department has averaged approximately 25,000 VUS/tickets annually. Based on these estimates the City's officers will save over 3,000 hours in time issuing tickets. This will give officers more time to do other police work (i.e. patrol, respond to calls for service, and/or conduct more traffic enforcement or community engagements). It is also anticipated that the new E-Citation system will improve data accuracy, due to the system's ability to scan drivers' licenses. Additionally, the system will enhance the City's ability to analyze data related to the City's Traffic Safety Plan and Vision Zero initiative.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 25, 2019

Question:

Provide an overview of the implementation plan and costs for additional plaques, near the Waterfront area. (Councilman Chapman, Councilman Seifeldein)

Response:

The \$125,000 requested in the FY 2021 CIP for the Waterfront History Plan would help develop a plan for interpreting the history along the Waterfront. This plan would include the costs, locations, and suggested content for interpretive elements. Once the plan is complete, the Office of Historic Alexandria will request implementation funds.

To add additional mini history kiosks in Old Town on the Gadsby-style lamp posts, the cost for design, fabrication, and installation is approximately \$2,000 per unit. These kiosks are currently located along King Street and have been a very successful interpretive element for visitors and residents. Additional kiosks could be installed on Cameron, Prince, and Duke Streets. Installation of additional mini history kiosks would need to be coordinated with the proposed acceleration of the Gadsby Lighting Fixtures and Pole Replacement project.

To tell the compelling and under-interpreted stories along the Duke Street corridor related to Alexandria's African-American and business history, 7 mini history kiosks could be installed between Alfred Street and Diagonal Road. The content could include African-American churches, Roundhouse history, L'Ouverture Hospital, Freedom House, National Cemetery, Bruin Slave Pen, Stone Bridge, Catt's Tavern, and more. These kiosks would require individual poles and could not be attached to the existing Dominion "cobra lights." The cost for the design, fabrication, and installation of these seven kiosks would be approximately \$25,000.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 19, 2019

Question:

Please provide any budget comments and feedback submitted online. (Routt, Director of Management & Budget)

Response:

Budget Feedback from the Public

Items received as of March 11, 2019

Comment # 2

Feedback: I'd like to see an increase in the budget for a new Power-On program to replace the Campagna program at Maury Elementary. The Campagna program has decreased in quality over the years and many families have expressed great interest in having a Power-On Program replace Campagna. We understand this has a budget impact and would like to inquire about increasing the Rec program budget to add a new location at Maury Elementary.

Comment # 3

Feedback: Power-On program at Maury, There is only 1 truly affordable afterschool program in Alexandria, that is Power-On. Programs that were founded on offering affordable aftercare are anything but affordable. As a single parent household, I count on getting my child into Power-On each year to maintain our household budget. The limited number of spaces available for the Power-On program adds stress each year in what has become a crap-shoot on if we'll have to consider moving out of the city as a way to help maintain a sound household budget. My salary isn't keeping up with added fees for rainwater/sewer, taxes and child care.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

What would be the cost and benefits associated with creating a multi-lingual office or division of immigration affairs with the goal of enhancing "the economic, civic, and social integration of immigrant [residents]; facilitate access to justice for immigrant [residents]; and advocate for continued immigration reforms at all levels of government in order to eliminate inequities that impact immigrant communities." (Councilman Aguirre)

Response:

The City of Alexandria started a Multi-cultural Services Initiative in 2001/2002 that was housed in the Department of Human Services (now DCHS). The focus at the time was on building relationships between the City of Alexandria and the residents of the Arlandria community. It was initially staffed with one person titled Multi-cultural Services Coordinator (MSC). Staff attended regular community events and offered outreach and education on all City services. Additionally, the staff person assumed supervision over the Hispanic Education and Outreach Program (HEOP) that provided ELL and other acculturation classes to approximately 400 adult participants annually. The MSC also ensured all City departments had Language Access Plans that complied with Title VI. In 2009, during the recession, the HEOP program was cut out of the budget. The MSC position was never restored in DCHS.

Currently, in the City Manager's proposed budget there is a new Race and Social Equity Officer position proposed. This position is at a Division Chief grade level (Grade 24, salary and benefits totaling \$128,437). The focus is to advance race and social equity plans within City departments, conduct community outreach and build relationships with our black and immigrant communities. The goal is to review policies with a racial and social lens to make sure there are no deleterious impacts on Alexandria residents and to ensure current policies are revisited regularly to ensure all Alexandria residents are treated equitably. The benefits of engaging with our under-served communities will be in gathering more diversity of thought around policies that impact land use, transportation, affordable housing, the justice system, public and child welfare and many more. Although the initial cost is based on having one FTE, if the scope expands it may require proposing additional staff in the future. In particular, if there was interest in establishing one-to-one outreach with individual and facilitating connection to services meeting their needs, then additional staffing would be required. It is estimated that each additional position related to this effort would cost approximately \$93,200 annually (salary and benefits) based on job specifications and duties.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

March 25, 2019

Question:

How does the City's FY 2020 proposed budget compare to Northern Virginia jurisdictions? (City Manager Jinks)

Response:

On February 19, 2019, City Manager Mark Jinks proposed a \$761.1 million General Fund operating budget for FY 2020, with no tax rate increases, no major service reductions, and funding for 100% of the Superintendent's requests for the Alexandria City Public Schools operating budget and 10-year capital plan.

The City of Alexandria's FY 2020 proposed real property tax rate reflected no increase and remained flat at \$1.130 per \$100 of assessed value. Fairfax County and Prince William County Chief Executives also proposed no residential real property tax rate increase and remained flat at \$1.151 for residential and \$1.276 for commercial in Fairfax County and \$1.2075 for residential and commercial for Prince William County in FY 2020. Arlington County's Manager proposed a +1.5 cent increase to support public safety pay and education initiatives, raising their residential base rate to \$1.008 and their commercial rate to \$1.133. Loudoun County, whose tax base grew 6.5%, proposed a real property tax rate of \$1.045, a 4.0 cent decrease from their current tax rate of \$1.085.

All neighboring Northern Virginia jurisdictions included merit/step pay increases in their proposed FY 2020 budget, with the City of Alexandria falling around the average at a proposed increase of 2.8%. A number of Northern Virginia jurisdictions are proposing public safety or other pay scale increases.

A detailed comparison for all neighboring Northern Virginia jurisdictions can be found in Attachment I.

ATTACHMENTS:

Attachment I – FY 2020 Proposed Budget Comparative Statistics

FY 2020 Proposed Budget Comparative Statistics	Arlington County	City of Alexandria	Fairfax County	Loudoun County	Prince William County
Proposal Date	2/21/2019	2/19/2019	2/19/2019	2/13/2019	2/19/2019
Real estate Tax Rate ¹	\$1.008/\$1.133	\$1.130	\$1.151/\$1.276	\$1.045	\$1.2075
Real Estate Tax Rate Change for Prior Year	\$0.015	-	-	(\$0.040)	-
Overall Real Estate Assessment Growth	3.5%	2.7%	3.60%	6.9%	not available
Residential Real Estate Assessment Growth	2.9%	2.0%	2.36%	not available	not available
Commercial Real Estate Assessment Growth	4.1%	3.6%	2.71%	9.0%	not available
New Growth as % of Overall Assessment Growth	0.9%	0.9%	1.15%	2.0%	not available
Merit/Step Pay Increase	5.5% public safety personnel merit-based pay increases; General Employees merit-based pay increases 3.25% -3.5%	2.3%, 3.5%, or 5.0% for all eligible employees (2.8% average per employee)	1% market rate adjustment (General County Employees) + 2% performance based	3.0%	3% pay-for-performance step increases
Across the Board Pay Increase	None	None	3% across the board increase to Sheriff pay scales implemented in January 2019	2.0%	None
Targeted Pay Adjustments	<p>Increased pay for public safety personnel from 1.5-cent RE tax rate increase</p> <ul style="list-style-type: none"> Fire: 1.5 – 3.75% Police: 2.0 – 4.0% Deputy Sheriff Corporal: 2.0% 	<p>Shift Differential rate increase</p> <ul style="list-style-type: none"> Evening Shift: \$0.45/hr to \$1.00/hr Night Shift: \$0.63/hr to \$1.50 <p>Commercial Drivers License (CDL) Bonus</p> <ul style="list-style-type: none"> \$1.00/hr pay supplement <p>Sheriff: 2.37%²</p>	<p>3.0% pay scale adjustments for Uniformed Public Safety and Sheriff (eligibility to increase by MRA still unknown); potentially another 2.51% in July</p>	<p>General & Public Safety: currently conducting classification and compensation study</p>	None

- 1 Arlington County includes a base rate of \$1.008, up 1.5 cents from \$0.993, and 12.5 cents on commercial properties for transportation. The FY20 proposed rate increase includes 1.0 cent for APS and 0.5 cents for public safety pay, new school resource officers and nurses for new school facilities. The rate excludes a 1.3 cent countywide levy for stormwater. Fairfax County includes 0.1 cents for Pest Control and 12.5 cents on commercial properties for transportation. It excludes a 3.4 cent countywide levy for stormwater. Prince William County (PWC) includes countywide pest control and fire levies. PWC land book not available until March.
- 2 After the budget was proposed, the City Manager proposed a 2.37% pay scale adjustment for the Sheriff pay scale utilizing new federal per diem revenues

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 5, 2019

Question:

What is the budgetary impact of including the Fire Marshals and Medics in the VRS Hazard Retirement Plan?

Response:

First, there is currently no legislation that would allow us to adopt enhanced scenario #1 for this group, which consists of about 45 participants, and we would need to petition the General Assembly to make changes to the code to implement this benefit. It should be noted that the plan for the Sheriff's Deputies is to place them in Scenario #1.

Second, there are two improved potential benefit scenarios in VRS for the fire marshals and medics in VRS. The details of each scenario and the current benefits are summarized in the chart below.

	Current Benefit	Enhanced Scenario #1	Enhanced Scenario #2
Retirement Eligibility			
Normal Retirement	age 65 & 5 years	age 60 & 5 years	Same as Scenario #1
Unreduced Retirement	age 50 & 30 years	age 50 & 25 years	Same as Scenario #1
Early (reduced) Retirement	age 55 & 5 years; age 50 & 10 years	age 50 & 5 years;	Same as Scenario #1
VRS Hazardous Duty Supplement	No	No	Yes
Does legislation exist to allow this option for medics and fire marshals?	N/A	No	Yes
Estimated Increase in Cost	None	\$0.5 million	Currently Unknown. Costs have been requested from VRS actuary

Based on an estimate from VRS' actuary, enhancing the retirement eligibility without including the hazardous duty supplement, scenario #1, would cost approximately \$0.5 million. Since there is currently no legislation that would allow us to adopt this benefit for this group, which consists of about 45 participants, we would need to petition the General Assembly to make changes to the State Code to be able to consider implementing this benefit.

The cost impact for enhancing the retirement eligibility and including the hazardous duty supplement, scenario #2, is not known at this time. Staff has contacted VRS and has begun discussions with their

actuary to request the cost of these benefits. Cost studies from VRS take a number of months, up to 6 months, to complete. Legislation does currently exist that would allow us to adopt this benefit for this group. A review of City Supplemental Retirement System benefits if scenario #2 was adopted will need to occur, as will consideration of either of the VRS Hazardous Duty Plans as an incentive for single role medics to retire earlier so the shift to dual role fire fighter/medics could possibly be accelerated.

**City of Alexandria, Virginia FY 2020
Proposed Operating Budget & CIP
Budget Questions & Answers**

April 17, 2019

Question:

How does Public Safety pay as proposed in the FY 2020 budget compare to other jurisdictions? (Mayor Wilson)

Response:

Public Safety pay in the region is proposed in FY 2020 budgets as follows:

FY2020 PROPOSED BUDGET COMPENSATION SUMMARY

Jurisdiction	Merit Pay¹	Pay Scale Adjustments
City of Alexandria		
Public Safety	5%, 3.5%, or 2.3%	For Sheriff scale employees, City Manager has proposed 2.37% pay scale adjustment
Arlington County²		
Fire	5.5% for all non-senior management level employees	FF/EMT II - 3.75% FF/EMT III - 2% Fire Marshal I - 3.5% Fire/EMS Lieutenant - 3.5% Fire/EMS Captain I - 1.5% Fire/EMS Captain II - 2%
Police	5.5% for all non-senior management level employees	Police Officer - 2% at minimum, 4% at maximum Police Corporal - 2% at minimum, 4% at maximum Police Sergeant - 0% at minimum, 2% at maximum
Sheriff	5.5% for all non-senior management level employees	Deputy Sheriff Corporal - 2%
Fairfax County		
Uniformed Public Safety	Up to 3%	1%
Sheriff	Up to 3%	3% went into effect Jan 5th (eligibility to increase by MRA still unknown, potentially another 2.51% in July)
Loudoun County		
General & Public Safety	3%	New structure - Currently conducting classification and compensation study
Prince William County		
Sworn/Uniformed	3%	None

***Montgomery and Prince George's Counties pay is dictated by union contract. Their data was not included as a part of the regional collection of public safety data.**

¹ If employees are at top of scale, no merit pay increase is provided

² Arlington County proposes to collapse their Firefighter/EMT I and II classifications, creating one classification at the II level.

As a part of our annual benchmarking, the City's Human Resources Department is currently developing projections of how the City's pay ranges will compare to jurisdictions in the region. Once comparator jurisdictions' budgets are approved, Human Resources will prepare an update to reflect any new adjustments if their proposed changes to the pay scales are approved.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 12, 2019

Question:

Can staff provide the potential impact on Affordable Housing for Alexandria residents in regard to Amazon HQ2? (Councilman Seifeldein)

Response:

The economic development activities generated by the location of Amazon HQ2 and the Virginia Tech Innovation Campus in National Landing will bring thousands of new jobs and new workers to Arlington and Alexandria, increasing the need for a variety of housing options in both communities, as well as in locationally-efficient (offer public transit access to National Landing) neighborhoods in Fairfax County and Falls Church.

The job growth anticipated, including in the technology and higher education sectors, as well as among the retail, hospitality, construction, and services businesses that will support HQ2 and Virginia Tech, is expected to occur over a ten to 15-year (or longer) period, at a pace and trajectory typical for economic growth in the metropolitan area. A large portion of Amazon hiring will also already live in the Washington, D.C. metropolitan area. Still, it is inevitable that some short to mid-term cost pressures will occur in Alexandria's housing market as developers and property owners take advantage of the perception of an "Amazon effect" before new efforts to preserve existing housing affordability and to expand affordable housing development can be fully implemented with the additional resources that will be invested to meet housing need.

Given Amazon's impact on the Seattle housing market (which did not have transit oriented growth plans already in place which the D.C. region does, nor a regional heavy rail transit system), enhancing local housing affordability and choice has informed Alexandria's planning for the proposed economic activities: during brainstorming sessions regarding anticipated housing affordability needs organized by the City and the Alexandria Economic Development Partnership (AEDP) as part of the request for proposals process, regional housing and economic development staff, as well as Virginia Housing Development Authority (VHDA) and nonprofit housing leaders identified the potential range of housing options required, including levels of affordability and types of tenure (rental/sales) and products, taking into consideration National Landing's projected professional and administrative workforce (25,000 Amazon jobs at an annual average salary of \$150,000), as well as potentially many more created in support of HQ2, including in lower wage sector jobs like retail, construction, hospitality and services all needing housing affordability at 60% area median income or below.

Housing capacity and economic growth assessments are currently underway among several groups, including the Metropolitan Washington Council of Governments (with both City Housing and Planning staff supporting this effort), the Urban Institute and the Greater Washington Partnership. Regional solutions and collaboration with Arlington will help amplify the City's efforts, and Housing and AEDP

staff are also part of a new Northern Virginia stakeholder group, convened by VHDA, to identify how the \$75 million in REACH funds committed by VHDA to target housing needs related to economic development, should be programmed and prioritized. Alexandria, in particular, will focus its efforts on the neighborhoods closest to National Landing – in particular, Arlandria – to work with neighbors to preserve community identity and existing housing resources and explore opportunities for the development of new housing assets.

While more information is developing about future jobs and their timelines related to HQ2 and Virginia Tech, and refining housing needs and impacts as well as the resources required to provide a range of housing options, Alexandria is preparing to meet housing needs through the following actions:

- Continue to fulfill commitments to implement the 2013 City Housing Master Plan, including its target of new affordability in 2,000 units by 2025
- Provide annual resources for affordable housing of at least \$8 million, including \$2 million in Housing Trust Fund dollars, \$5 million in dedicated Meals Tax Revenues and \$1 million in new CIP funds the City Manager added to the City's CIP to meet Amazon HQ2/VT housing impacts as proposed in the annual FY 2020 budget
- Utilize all non-financial tools to maximize affordable housing and secure committed units through the development and planning processes, including bonus density, the residential multifamily zone, use of city-owned property and co-location
- Explore new regulatory tools, including accessory dwelling units and inclusionary zoning
- Explore opportunities to leverage City resources through impactful third-party investment (including JBG-SMITH Social Impact Fund) as well as through philanthropy, business, healthcare, technology and other new actors now investing in housing affordability
- Track rental housing costs on a monthly basis in Arlandria
- Work with a network of nonprofit partners, and with VHDA, to preserve housing facing potential expiration of affordability over the next decade (estimated ~1,500 units)
- Work with nonprofit and other partners to develop and structure creative affordable rental projects that leverage tax credits and non-city resources, including the new VHDA REACH funds and tax credits allocated to prioritize innovation
- Expand the existing homeownership program to provide a wider range of workforce-affordable housing options with Alexandria's substantial stock of condominiums
- Continue culturally competent outreach to the Arlandria community, offering technical and financial assistance to property owners and residents, including resources to preserve, improve and expand existing housing affordability resources, avoid/mitigate displacement and empower residents to participate in (including financially) development decisions impacting their housing
- Support the upcoming Mount Vernon Avenue planning initiative (Del Ray to Arlandria), including conducting an assessment of housing affordability and strategies to preserve/expand affordability (Housing is exploring VHDA community impact grant resources for the assessments and to underwrite outreach)
- Explore opportunities to jointly fund and/or redevelop affordable housing with Arlington in areas proximate to National Landing

- Explore Opportunity Zone incentives and resources potentially available in areas near National Landing and elsewhere in the City to maximize development/redevelopment to expand housing affordability
- Continue to work with the state to expand financial resources for housing affordability pursuant to Governor Northam's Executive Order #25, signed in November, which makes housing affordability and stability central to Virginia's economic development strategy.

Key to the City's success will be its efforts to leverage its resources, so that the additional \$1 million per year proposed in the FY 2020 – 2029 CIP for housing related to economic development will produce an additional 20-50 committed affordable units beyond those already projected. While supply is important in meeting housing needs overall, by itself, increased supply will not meet requirements for new housing affordability – Alexandria will continue to need to invest and plan for these units with the regulatory tools and incentives available as well as the new resources now being established.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 3, 2019

Question:

How does the proposed DASH fare of \$2.00 per trip compare to Metrobus fares? What are the potential impacts on ridership and revenue when raising the fare from \$1.75 to \$2.00? (Councilman Seifeldein)

Response:

The Metrobus base fare is \$2.00 per trip, so the proposed increase in the DASH fare from \$1.75 to \$2.00 would bring DASH level with Metrobus. The base fare for Arlington Transit and Fairfax Connector is also \$2.00. The proposed budget also includes a \$5.00 per month increase in the DASH Pass, raising it from \$45 to \$50.

As DASH staff considered whether to recommend a fare increase to the Alexandria Transit Company's Board of Directors and to the City Manager for the purpose of his budget proposal, ridership and revenue impacts were the chief concerns. Projecting the ridership impact of a fare increase is not an exact science, however there is a concept of fare elasticity, that is, the percentage change in ridership for each percentage change in fares. A transit industry-standard fare elasticity is -0.33, meaning that every three percent fare increase reduces ridership by one percent. Given relatively high transit demand in the Northern Virginia region compared to the rest of the country, we used a fare elasticity of -0.30 in our calculations which equates to a 4.3% ridership reduction on a 14.3% fare increase.

Assuming further that this proposed fare increase will not take effect until September 1, after this summer's Metrorail shutdown for WMATA's Platform Improvement Project, we calculated the following ridership and revenue impacts for the remaining 10 months of FY 2020:

- Change in Revenue Ridership (number of trips): 86,587 fewer passenger trips (a 3.3% reduction when adjusting for partial year implementation and no loss of off-peak Senior ridership since the \$1 fare discount would still apply)
- Change in Passenger Revenue: A \$262,547 revenue increase based on the 25-cent increase adjusted for fare elasticity.

There is one additional fact to keep in mind when considering these impacts. Beginning July 1, 2018, DASH's base fare increased from \$1.60 to \$1.75. Although we projected a ridership decline as a result of the fare increase, through seven months of FY 2019, revenue ridership is essentially flat year over year. This is true even with the federal government shutdown in January and the King Street Station Access Improvement Project. This suggests that actual ridership decreases may continue to be less than projected.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

May 17, 2019

Question: What would it cost to implement the 2007 recommendation of the Committee Created to Review the Elections Process for Alexandria City Council and the School Board that staff assistance be increased to 1.0 FTE for Council and to 1.5 FTE for the Mayor? (Vice Mayor Bennett-Parker)

Response: The FY 2020 budget includes \$203,500 in part-time funding for six City Council Aides (the Mayor's Aide is a full-time position). These positions are salaried positions at a cost of \$31,500, based on the assumption of 20 hours per week. Currently, City Council Aides are administratively appointed and are considered temporary as they serve at the will of their councilmember and their councilmember's term is a condition of their employment.

The cost to increase the six part-time City Council Aides to full-time, and include an additional part-time Aide for the Mayor, is approximately \$318,000. A summary of the costs for each type of position are listed below.

The benefits a full-time City Council Aide would receive include FICA costs, health insurance, life insurance, and long-term disability. Full-time City Council Aides would also become eligible to elect to participate in voluntary benefits such as insurance for dental and vision. The estimated cost of \$12,015 for health insurance equates to the annual costs for the Kaiser employee +1 plan. This plan is used for new and vacant positions because the cost closely aligns to the average of all health plan options. Actual health insurance costs could be higher or lower depending on City Council Aide benefit elections.

	Full-time Council Aides	Part-time Mayor's Aide
Base Salary	\$63,000	\$30,396
FICA	\$4,820	\$2,325
Life Insurance	\$232	\$113
Long-term Disability	\$168	\$81
Health Insurance	\$12,015	\$7,510
Voluntary Insurance (Dental and Vision)		
100% Employee Paid	\$0	\$0
Total	\$80,235	\$40,425
Annual Cost Total	\$521,835	

It should be noted that due to the provisional (i.e., temporary appointment) nature of Council Aide positions, they are not eligible for Virginia Retirement System benefits but could be made eligible for City Supplemental Retirement System benefits or could potentially be provided deferred compensation 457 retirement monies.

This estimate does not include any equipment or space requirements needed for the additional FTE for the mayoral position. Also, the estimated full-time pay for a City Council Aides exceeds the current salary of the Mayor's Aide by \$366. As such, the salaries for the mayor's aides should also be reviewed which may affect the projected costs provided in this memo for the part-time mayor's aide.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 9, 2019

Question:

How much did Eisenhower West property owners contribute to the technical studies/consultant work on the Eisenhower West Plan? (Councilwoman Pepper)

Response:

The dollar amount that Eisenhower West property owners contributed to the technical studies/consultant work on the Eisenhower West Plan totaled \$440,000. It was used to fund consultant support for general planning, transportation and other infrastructure needs analysis, the analysis supporting the plan for environmental sustainability, civic engagement support, and economic/market/financial analyses. In addition to staff resources and other miscellaneous non-personnel costs, the City provided \$175,000 toward the transportation analysis. City staff ensures that developer or property owner contributions toward planning, analysis or regulatory review do not influence the resulting planning or policy recommendations.

In the cases where property owners or developers have contributed toward small area plans, it has been prompted by those landowners asking to add a planning project to the City's work program. The City determined that there were insufficient resources to add the project in the timeframe desired by the property owners. Because timing was important to the property owners, they offered to provide those resources to accelerate the project. Considerable care is taken throughout the process to ensure that these contributions do not affect any planning recommendations or any outcome of the planning process.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

What is the cost to extend the holiday lights for an additional month on either end of the lighting season? (Councilwoman Pepper)

Response:

Holiday lights cost approximately \$5,800 per month. This covers \$2,500 for maintenance of the lights, which includes checking and replacing light strings, as well as \$3,300 for electricity costs. The cost to add an additional month on each of the holiday lights season would be \$11,600 annually. The cost to extend the current five-month period to 11 months would be \$34,800.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

What are the total attendees for the annual Arts Festival? (Councilwoman Jackson)

Response:

RPCA's Office of the Arts reached out to the Annual Arts Festival event organizer and received the following response:

We computed that there is an average of four turns of people a day on Saturday (14,000 total) and five turns of people a day on Sunday (17,500 total). Based on this, the estimated festival attendance would be 31,500 people over the course of the weekend. It is also estimated that the average attendee spends approximately two hours and twenty minutes at the festival.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 3, 2019

Question:

Please provide an update on the recommendations from the most recent Old Town Area Parking Study. (Mayor Wilson)

Response:

In 2015, the Old Town Area Parking Study (OTAPS) Work Group convened to review new parking occupancy data that had been collected and discuss recommendations for managing parking in Old Town. The Work Group consisted of 19 members representing a mix of Old Town residents and businesses. In February 2016, the City Council received the OTAPS Work Group recommendations and proposed work plan for review and implementation of each recommendation. Although the Work Group had not recommended developing a staff-initiated process to make changes to the residential permit parking program, Council directed staff to include this in the work plan and consider whether it could be a useful tool from a Citywide perspective.

Since then, staff has been actively working on these recommendations. The attached document provides a summary of the OTAPS recommendations from FY 2015 and a status update on each item as of March 2019. A number of these recommendations are currently being considered through the current Residential Permit Parking (RPP) *Refresh* program. In addition, several of the meter and garage pricing recommendations could be considered through an upcoming process to study variable pricing at the meters and city-owned garages.

Attachment - 2015 OTAPS Work Group Recommendations

Attachment - 2015 OTAPS Work Group Recommendations

Parking Management Goal	Item Number	Parking Management Tool Considered by OTAPS Work Group	2015 OTAPS Work Group Recommendation (Majority)	March 2019 Update
Encourage short term visitors to park in metered areas rather than residential blocks	1	Maximum Time Limit for Meters	(1) Extend maximum time limit for meters west of Alfred Street from 2 to 3 hours* (OTAPS WG motion - 4/29) (2) Extend maximum time limit for meters east of Alfred Street from 2 to 3 hours.	(1) Meters changed to 3 hours in June 2015 west of Alfred. (2) Hourly change for meters east of Alfred to be reviewed with upcoming process to study variable pricing.
	2	End Time for Meters	(1) End meter times at 7 pm for meters west of Alfred Street (OTAPS WG motion - 4/29) (2) No change to the end time for meters east of Alfred Street.	(1) Considered during FY 2017 budget process; no changes made due to budget impacts and demand for parking. (2) n/a
	3	Ticket fees	Reduce the ticket fees for meter violations, but maintain the current fee for residential parking violations.	No update - ticket fees can be reviewed as part of RPP Refresh and upcoming process to study variable pricing.
	4	Meter rates	No change to the meter rates recommended.	n/a
Encourage long term visitors to use transit and park in off-street garages and surface lots	5	Garage/Surface Lot Pricing and Payment	(1) Adjust the pricing of the City garages and surface lots to be less than the cost of parking at a meter. (2) Reduce the rates at City garage and surface lots on weekends and evenings. (3) Make City owned surface lots available for long term parking and coordinate the hours of operation with the meters hours. (4) Coordinate operations, maintenance, and policies of facilities between City departments.	Garage fees and hours to be reviewed with upcoming process to study variable pricing.

	6	Wayfinding	<p>(1) Provide/promote digital wayfinding with parking garage information through mobile apps and websites and maintain a current City parking map.</p> <p>(2) Direct staff to add additional parking wayfinding signage consistent with the City's Wayfinding Plan guidelines.</p> <p>(3) Explore adding appropriate real-time information for garage signs.</p>	<p>(1) Digital wayfinding is being considered through the City's Parking Technologies CIP project currently underway. An updated "Where to Park" map and interactive Parking map is currently provided on the City's main Parking webpage (alexandriava.gov/Parking).</p> <p>(2) Additional signage along King Street and Washington Street has been added per the Wayfinding Plan.</p> <p>(3) This will be reviewed through the Parking Technologies project, in coordination with the Board of Architectural Review.</p>
	7	Information and Marketing	Direct staff to work with Visit Alexandria and AEDP to provide better marketing of transit and parking options available in the City, including the City's Pay by Phone feature.	Visit Alexandria and AEDP staff are involved with the City's internal Parking Coordination Group (formed in 2016) to ensure better coordination of information related to parking programs and changes.
	8	Employee Parking and Transit Programs	<p>(1) Provide more off-street parking options for City employees on the waitlist by increasing the number of monthly garage spaces in City garages or applying the City's garage subsidy to private garages.</p> <p>(2) Direct staff to help facilitate coordination with private garage owners for garage spaces and promoting transit programs for private employers.</p>	<p>(1) No changes made to number of monthly spaces in City garages due to the need to provide some daily parking at these facilities and revenue impacts.</p> <p>(2) City staff continue to work with private employers through the GO Alex program to ensure businesses are aware of all travel options. Developments with a Transportation Management Plan (TMP) and new businesses requesting business licenses or Special Use Permits are required to coordinate with GO Alex staff as a condition of their approval.</p>

	9	Transit Service	<p>(1) Explore adding morning trolley hours and reducing headways.</p> <p>(2) Optimize DASH routes operating in Old Town.</p> <p>(3) Optimize transit fare policy in Old Town with consideration of a fare free transit zone.</p>	<p>(1) Not implemented due to budget impacts and usage.</p> <p>(2) This is currently under review with the Transit Vision Plan.</p> <p>(3) This could be considered after completion of the Transit Vision Plan.</p>
Preserve parking on residential blocks for residents and guests	10	Pay by Phone Payment in Residential Areas	Implement a pilot program for adding a pay-by-phone payment requirement for residential blocks following public engagement with the residents of the proposed blocks. The pay-by-phone payment requirement would not apply to residents of the district where that block is located nor would apply to those resident's guests.	The pilot program was implemented in November 2016 and approved to be a permanent parking management tool within the pilot program area as of March 16, 2019.
	11	Resident Only Parking	Do not implement resident only parking.	n/a
	12	Restrictions on New Development	No universal restriction be placed on the availability of residential parking permits in new residential developments in districts 1-5 and each DSUP be considered on its own merits with respect to the issuance of residential parking permits. (OTAPS WG motion 5/27)	The Policy for Residential Parking Permits for New Development, which established criteria for when residents of new development would be eligible for residential parking permits, was approved by City Council June 13, 2017.
	13	Limit Residential Parking Permits	Do not limit the number of residential parking permits.	This is being reviewed under the RPP Refresh program.

	14	Residential Parking Permit Fees	Maintain the current residential parking permit fees for the first and second vehicle registered to a household but increase the fee for any additional vehicles.	This is being reviewed under the RPP Refresh program. Slight fee increases were approved in June 2018 to increase the permit fee for the first and second vehicles by \$10 and for all additional vehicles by \$50.
	15	Time limits for residential permit parking districts	Amend the City Code to allow one-hour parking as an option for residents to request through the residential permit parking district process.	This is being reviewed under the RPP Refresh program.
	16	Adjust district boundaries	Reexamine current district boundaries to determine if a smaller district adjacent to King Street would be appropriate.	This is being reviewed under the RPP Refresh program.
	17	Staff initiated process for amending/changing residential permit parking districts	No change to the process for amending/creating residential permit parking districts	This is being reviewed under the RPP Refresh program.
Encourage compliance at meters and in residential parking districts	18	Enforcement	<p>(1) Increase funding to modernize citation/enforcement equipment</p> <p>(2) Increase funding to support additional PEOs</p> <p>(3) Reinstate the adjudication process (OTAPS WG motion 5/27)</p>	<p>(1) Two license plate readers and new handheld officer equipment were provided in 2017 as part of a contract with a vendor providing support for the parking citation processing.</p> <p>(2) Five overhire positions were added in FY 2017 for parking enforcement officers. (these positions were not filled and were later converted to 6 traffic safety officers for Vision Zero)</p> <p>(3) The adjudication process was reinstated in 2017.</p>

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 17, 2019

Question:

Please provide the total number of trash and recycling receptacles in the Chirilagua area compared to the Del Ray area of Mount Vernon Avenue. (Councilman Aguirre)

Response:

This response was updated on April 17, 2019. In the original response, the blocks between W. Glebe to Commonwealth were counted as being in Arlandria/Chirilagua.

In Chirilagua, there are 37 street refuse and 9 street recycling cans. This area is defined as the one mile stretch of Mount Vernon Avenue from South Glebe Road to Commonwealth Avenue. In Del Ray there are 68 street refuse and 22 street recycling cans along Mount Vernon Avenue from Commonwealth Avenue to Braddock Road, approximately 1.2 miles.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

Is the Alexandria Redevelopment and Housing Authority (ARHA) performing energy audits on their properties? (Councilman Aguirre)

Response:

ARHA does not currently conduct routine or regular energy audits of residential units. This is something their staff are open to exploring in the future as well as continuing to work with the City through volunteer support through the Energy Masters program (partnership program with Arlington County facilitated through the City's Office of Housing).

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 9, 2019

Question:

How much is programmed in the CIP and in which years for the Environmental Action Plan (EAP) Phase 1 action on renewable energy strategy/model? (Mayor Wilson)

Response:


The Capital Improvement Program funds \$100,000 for the Renewable Energy Supply Strategy in FY 2021 in the Energy Management Program ([refer to page 12.10](#)). This is an Environmental Action Plan Phase 1 Renewable Energy Action item. The scope of work will include determining a recommended mix of onsite & offsite (including direct purchasing or through utility partnership/programs) renewable electricity supply opportunities under various levels of energy efficiency implementation, transportation and building electrification, battery storage opportunities, grid mix, and electricity market conditions. The goal is to identify an optimal, long-run, least-cost or cost-saving portfolio of renewable energy supply options for greenhouse gas emissions offset and financial efficiencies.

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 22, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER 

SUBJECT: UTILIZATION OF NEW U.S. MARSHAL'S REVENUE TO ADJUST THE CITY PAY SCALE FOR SHERIFF'S DEPUTIES

ISSUE: (1) Generation of new revenues by the Sheriff's Office; and (2) Utilization of those new revenues to adjust the City pay scale for Deputy Sheriffs.

RECOMMENDATION: Utilize through the add/delete process, \$330,000 of projected new U.S. Marshal's Service per diem revenue, to be paid by the federal government for use of City Detention Center bed space to fund an FY 2020 contingent sufficient to fund a 2.37% increase in the pay scale for City Deputy Sheriffs effective in October, 2019.

BACKGROUND: As part of the development of the budgets for FY 2019 and FY 2020 there have been extensive conversations concerning the compensation of public safety personnel. As a result, in FY 2019 uniformed personnel on the Police pay scale received an across the board 6.22% pay increase, uniformed personnel on the Fire and EMS scales received a 5% across the board increase, and certain uniformed officer positions in the Sheriff's office received a grade increase. However, no across-the-board increase was approved for uniformed employees on the Deputy Sheriff pay scale, as the leadership of those on that pay scale and Sheriff Lawhorne's first priority has been and remains shifting the Sheriff's uniformed employees from the general Virginia Retirement System (VRS) plan to the public safety VRS plan¹. Such a shift could not be implemented in FY 2019 because the City needed to have VRS's actuaries calculate the cost of such a pension plan shift to see if the City could afford such a shift. In January, VRS issued its report indicating that the annualized cost of the shift to the public safety VRS plan was \$1.3 million which was higher than hoped.

In the FY 2020 budget, I proposed that the shift to the public safety VRS plan be approved with the shift occurring in October, 2019 and with the City covering a large portion of the cost (\$0.7 million in FY 2020, and \$1.0 million in FY 2021), but that the uniformed Sheriff's employees would increase their contribution for retirement and/or have their City Supplemental Retirement plan benefits trimmed with a cost savings of \$0.3 million per year. Currently Sheriff's Deputies pay 5% into VRS and 0% into the City Supplemental Retirement Plan, while General Scale

¹ By State law, Sheriffs in Virginia are automatically members of the public safety VRS plan.

employees pay 5% into VRS and 2% into the City Supplemental Plan, and Police and Fire uniformed employees pay 8% into the City Fire/Police plan.

During the time period when the City was waiting for the VRS cost estimates, the City's HR department was collecting its regional comparator data. For the Sheriff's uniformed employees the data shows that the City is 3.87% below where its "middle position" pay philosophy indicates the City should be for this group of employees. However, given the priority of the VRS plan shift, this Sheriff pay scale adjustment was not funded in the FY 2020 Proposed Budget.

After the FY 2020 proposed budget was completed the Sheriff identified a new revenue opportunity. While the City jail has long held federal prisoners under a U.S. Marshal's per diem contract, nearly all of those prisoners derived from court activity of the U.S. Court for Eastern District of Virginia (which is located in the City). The new revenue opportunity is to house prisoners from the U.S. Court of the District of Columbia. The U.S. Marshals have indicated that they would like to shift some of their prisoners (an average of 20 prisoners per day) from the District of Columbia jail to Alexandria. After accounting for using current paid-for-but-unused beds (but would utilize with a shift of prisoners from the District jail), it appears that the City could net about \$330,000 per year in new earned revenues for increased use by the U.S. Marshals of the City Detention Center.

Given these new added revenues, and the not-funded-but-needed increase in the Sheriff's pay scale, it is recommended that the new U.S. Marshals \$330,000 in revenues be set aside in an FY 2020 contingent to fund a 2.37% increase in the Sheriff's uniformed employees pay scale starting in October. This 2.37% increase, while falling short of the 3.87% increase would make significant progress towards this pay scale funding need and also would provide funding for Sheriff's Deputies to potentially pay an increased amount into their retirement plan and therefore approach parity with other City employee groups.

Given that this is a policy choice, it is not proposed that this recommendation be a part of the budget processes' annual "technical corrections" actions, but that this receipt and use of these U.S. Marshals funding for a Sheriff's pay scale contingent be considered as part of the Council add/delete process.

cc: Sheriff Dana Lawhorne
Shawnda Howard, Chief Human Resources Officer

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

What are potential funding streams that can be utilized to extend the Arlandria Bikeshare Partnership pilot program across the City? (Mayor Wilson)

Response:

The Arlandria Bikeshare Partnership is a pilot, grant-funded program coordinated by the Four Mile Run Conservatory Foundation, Alexandria's Bike & Pedestrian Advisory Committee and Casa Chirilagua. The program seeks to introduce and promote the use of the Capital Bikeshare (CaBi) system to adults in the Arlandria neighborhood. The program is coordinated with the CaBi Community Partners Program. In the future, similar to already established CaBi Community Partner Programs, the Arlandria Bikeshare Partnership intends to enable local non-profits and social service organizations to offer their clients a steeply discounted CaBi Annual Membership, safety equipment and guidance on safe bicycling.

Potential funding streams that could be utilized to extend the Arlandria Bikeshare Partnership pilot across the City would include additional General Fund money, Transportation Improvement Program (TIP) funds, NVTA 30% funds, potential new grant opportunities, or revenues from Transportation Management Program (TMP) contributions, after considering geographic limitations of specific TMPs. The City could also seek private partnerships to extend the program. It should be noted that existing sources such as TIP and NVTA have already been planned for future use and would need to be reprioritized from other planned uses.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

What would be the revenue produced if 1) there were no cap on development fees or 2) if that cap were lifted to \$100,000? (Councilman Chapman)

Background:

In the FY 2019 budget, City Council approved an increase in the development fee formula, including an increase in the fee cap from \$60,000 to \$80,000. In addition, a fee for zoning determination letters was instituted. Staff estimated that the fee increases would generate an additional \$288,175 in revenue above the FY 2018 approved fees. The actual increase, year-to-date for the third quarter of the fiscal year, are running about 10 percent ahead of that estimate. The City budgeted \$1.1 million in Planning & Zoning fee revenue for FY 2019, which equates to approximately \$830,000 through three quarters. Fiscal year-to-date development fee revenues are \$913,916 for FY 2019 compared to \$476,893 for the same period in FY 2018.

Response:

Increasing the fee cap from \$80,000 to \$100,000 would increase revenues by approximately \$120,000 per year. Removing the cap entirely would increase revenues by approximately \$215,000 (or \$94,800 more than a \$100,000 fee cap).

Only the largest projects have fees that would exceed the current \$80,000 cap if the cap were removed. A typical year may see, on average, 6 large projects (although it can vary greatly). The increase in the cap to \$100,000 would result in an average fee increase of \$20,000 per large project. The removal of the fee cap entirely would result in an average fee increase of \$35,800 per large project.

These estimates are based on a typical mix of projects by type and size. Virtually no year is "typical," particularly because the number of large projects has a major impact on revenues, and it is difficult to project how many large projects will be filed in a given year. As a result, revenues vary considerably from year to year.

It should be noted that increasing fees may negatively affect development activity, particularly as it relates to whether the public views the City as welcoming or unwelcoming to new development.

Normally staff would speak with the development community regarding any fee increases or fee changes and collect comparator information from local jurisdictions. Due to the timing of this question, staff will not be able to ensure that the development community is aware of any proposed change or ensure that they will have time to respond to it. Given the timing, staff recommends against adopting this type of fee increase on such short notice during the add/delete process.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 3, 2019

Question:

The School Board's approved operating budget includes \$708,570 as part of a 7-year plan to replace all textbooks. What would be the fiscal impact of reducing the School Board's Operating appropriation by \$708,570 and increasing the cash capital funding for the ACPS non-capacity Capital Improvement Program allocation for FY 2020 by the same amount, reflecting the inclusion of this expenditure in the Capital Improvement Program for this year, and future budget years? (Mayor Wilson)

Response:

The Superintendent's Proposed FY 2020 Combined Funds Presentation to the School Board included a 7-year plan for textbook replacements as seen in the following table. The FY 2020 funding of \$708,750 has been included in the School Board Approved FY 2020 Combined Funds budget, which has been fully funded in the City Manager's Proposed FY 2020 Budget. Moving this funding from the ACPS General Fund operating transfer to the capital fund transfer would not have a fiscal impact in FY 2020, as the reduction on the operating side would directly match the increase on the capital side.

The table below outlines the funding schedule proposed by ACPS in the Superintendent's Proposed FY 2020 Combined Funds Presentation for textbook replacement. As the table shows, in FY 2021 – FY 2025, investments in textbooks increase above the \$708,750 amount budgeted for FY 2020, and for FY 2027 and beyond an investment of \$1 million per year is anticipated. As an example, in FY 2021 funding that ACPS estimates that their textbook replacement schedule would require is \$381,135 in addition to the \$708,750 budgeted in FY 2020. Although City Council can choose to make this transfer, it legally cannot direct how ACPS uses the funds. Ultimately the School Board will adopt the final use of the funds as part of the FY 2020 – FY 2029 Adjusted CIP in June 2019.

		Proposed Funding	Amount
		Schedule	Above/(Below)
			FY 2020 Transfer
FY 2020	\$	708,750	\$ -
FY 2021	\$	1,089,885	\$ 381,135
FY 2022	\$	929,940	\$ 221,190
FY 2023	\$	985,550	\$ 276,800
FY 2024	\$	1,071,420	\$ 362,670
FY 2025	\$	1,172,880	\$ 464,130
FY 2026	\$	452,250	\$ (256,500)
FY 2027	\$	1,000,000	\$ 291,250
FY 2028	\$	1,000,000	\$ 291,250
FY 2029	\$	1,000,000	\$ 291,250

Moving textbook expenditures to the capital fund is not the only method for creating more stability and certainty in the replacement of the school textbooks. Another option for this issue would be for ACPS to

establish an equipment replacement fund for textbook replacements similar to the City's vehicle and computer replacement funds. The timing of specific textbook replacement schedule recommendations are established by the Commonwealth and could be used as a guideline for establishing annual contributions to the fund for textbook replacement. In both scenarios (creating an equipment replacement fund and capitalization), it is important to note that some level of additional funding support will be necessary to support either the fund and/or the direct purchase of textbooks. If desired by Council, City and ACPS staff can work together to produce a recommendation on how best to fund textbook replacements in the future.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 5, 2019

Question:

Capital Improvement Program (Page 13.17): Can you detail the work effort to be performed during FY 2020 with the funding available to advance the Transit Corridor B project? (Mayor Wilson)

Response:

As part of the Northern Virginia Transportation Authority (NVTA) 70% Regional project funding, the City received \$12 million to be used toward environmental and design work associated with this project, as well as public engagement. The Duke Street Transitway (Corridor B) is currently envisioned to provide dedicated transit lanes on Duke Street for Bus Rapid Transit between Diagonal Road (King Street Metro) and Walker Street (Landmark Mall). The conceptual design configuration was developed as part of the Transitway Corridors Feasibility Study (adopted by City Council in 2012).

In FY 2020, the City will hire a program manager which will be followed by the establishment of a policy advisory committee. Similar to the process used for the West End Transitway, the committee will provide input from residents on key deliverables and environmental documentation necessary for federal funding in accordance with the National Environmental Policy Act and in coordination with the Federal Transit Administration. This is a standard practice for projects of this magnitude and those requiring federal funding. The work to be performed will include refinement of the 2012 recommendation for Corridor B, establishment of evaluation measures and priorities, a recommendation of a locally preferred alternative, and the outcome of the environmental analysis, allowing the City to seek federal funds.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 10, 2019

Question:

Capital Improvement Program (Page 13.50): If additional cash capital contributions are made and additional borrowing is incurred to support the Street Reconstruction & Resurfacing project, what portion of the FY 2021 (or beyond) schedule could be advanced into FY 2020? (Mayor Wilson)

Response:

Each street listed in the repaving schedule for FY 2021 and beyond would need to be prioritized based on conditions and ease of execution. Streets in worsening conditions and with easier implementation schedules could be accelerated. Implementation speed can be determined by coordination with Complete Streets projects, utility projects, and development projects, and those streets with minimal coordination can be advanced if funds are available. Staff believe that the Street Reconstruction and Resurfacing program could accommodate as much as an additional \$1 million in paving funds for FY 2020.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 12, 2019

Question: What would the budget impact of adding a 4th staff member in Complete Streets in terms of completing projects, conducting outreach, and ensuring a higher percentage of repaved streets receive Complete Street treatments? (Vice Mayor Bennett-Parker)

Response:

The direct personnel impact would be approximately \$140,000 annually for a Civil Engineer IV. An additional staff engineer could realistically enable completion of between 20% and 40% more Complete Streets improvements annually by working tactically to create a more efficient bridge between Complete Streets and pavement engineering.

However, to complete a larger number of actual projects the City would also need to make non-personnel capital investments in the Complete Streets categories that occurs in tandem with the paving program. As outlined in Appendix E of the CIP (p. 19.15), the total consolidated amount of street CIP expenditures proposed for FY2020 is \$7.3 million. An increased level of Complete Streets investments is scalable but, for example, if the City wanted to increase output by 20% then additional CIP funding would need to be set aside in the following areas:

- \$10,000 (20% increase in sidewalk projects with paving projects)
- \$18,000 (20% increase in street projects with paving projects)
- \$50,000 (20% increase in street markings)
- TOTAL: \$218,000, including the \$140,000 for a Civil Engineer IV

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

The answer to question #17 suggests the Old Town Farmers' Market costs the City around \$51k; page 11.41 of this year's budget suggests the FY19 cost is \$90k. What does the \$90k include that the \$51k does not? (Vice Mayor Bennett-Parker)

Response:

The FY 2019 budget for the Farmer's Market, detailed below, is \$50,992. FY 2020 Proposed Budget page 11.41 details the Priority Based Budgeting (PBB) results of \$85,982.

The PBB allocations shown on page 11.41 include staff support costs from programs outside of the Farmer's Market and External Services program whereas the FY 2019 PBB cost shows the full personnel costs of staff support from the Facilities Management and Leadership & Management programs.

The PBB allocated cost is higher because of that administrative overhead. While only the Farmer's Market manager is budgeted in the Farmer's Market account, other staff spend at least some time working on the Farmer's Market which is what the PBB cost allocation model displays differently from the FY 2019 budget allocations.

The City's budget is aligned mostly along organizational units; i.e. direct service costs and some indirect administrative costs are budgeted in the programs that provide them, while other centralized administrative costs are budgeted in separate administrative programs such as the director's office or an administrative services program within a department or as a separate administrative department. PBB attempts to identify the "full cost" of a service by reapportioning the centralized costs to services on a percent basis. It is done outside of the City's financial systems using actual financial system data and is useful in providing a general estimate of what services cost for the purposes of prioritization without being precise to the transactional level. Reapportioning administrative costs on a transaction by transaction basis within the financial system would be significantly more complicated. It should be noted that PBB only goes as far as reapportioning additional indirect costs within departments. Reapportionment across departments was considered too much to take on in the initial implementation of PBB.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

There is a proposed 37.8% increase in personnel costs for General Services-External Services despite the number of FTEs remaining unchanged. What is this for?

Response:

The increase is largely due to \$10,000 of outside temporary services non-personnel money being converted to seasonal staffing money to fund a temporary intern position to market and promote the Old Town Farmers Market to a larger audience. This means that the Farmer's Market would be able to perform marketing services through use of an intern instead of contractual outsourcing. This change was approved mid-year in FY 2019 which is why it is not shown in the FY 2019 base budget. Temporary positions do not count towards FTE counts which is why there is no corresponding change to the External Services overall programmatic FTE. The remaining personnel increases are incremental costs for fiscal year 2020 totaling \$4,720 shown in the table below. This marketing initiative is in addition to the overall Farmer's Market program view which the City Manager has briefed Council members about.

External Services Personnel Budget

Account Description	FY 2019 Base Approved	FY 2020 Proposed	Change Amount \$	Change Percent %
Part-Time Salary (Merit increase)	\$24,128	\$25,446	\$1,318	5.5%
Seasonal Staffing (Intern pay)	\$0	\$10,000	\$10,000	100%
Overtime (Adjustment to prior year actuals)	\$12,000	\$14,356	\$2,356	19.6%
Social Security (Increases commensurate with other personnel increases)	\$2,764	\$3,810	\$1,046	3.8%
TOTAL	\$38,892	\$53,612	\$14,720	\$37.8%

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 10, 2019

Question:

Where does the funding for the double-up SNAP dollars at the Old Town Farmers' Market come from (is it City-funded and/or grant-funded)? Do we have data on unique users and/or number of uses?

What would be the costs to expand this program to one or more of the privately-run farmers' markets in the City (assuming their interest)? Include any include staff time to work at the market to process the payments/manage the program if that is possible under USDA guidelines (funding aside). (Vice Mayor Bennett-Parker)

Response:

Funding

The SNAP/EBT program is supported by two funding sources, USDA's Food Insecurity Nutrition Incentive (FINI) grant and the Double Dollars Program. The FINI grant (also known as the Wholesome Waves) is awarded through the Virginia Fresh Match and allows for the first \$10 match to purchase fresh fruit and vegetables only. The City is in the first year of a three year grant, \$6,750 for the first year and 10% increase for year 2 and year 3.

The Double Dollars program is locally created (2013) and provides the second incentive for SNAP participants. Double Dollars are bonus tokens that match every SNAP purchase up to \$10 per weekly visit. Initially funding was raised primarily through donations at an annual fundraising event, Soil & Soul. This fundraising event was discontinued in 2017 due to loss of its major sponsors. It has been increasingly challenging to raise the \$5,000 needed to continue this incentive.

The City reimburses market vendors for the full amount of the savings realized by the participants.

Participation

All users of this program are SNAP recipients. The program data is maintained by transactions and not unique users. Below are the transaction numbers for the past three fiscal years.

Fiscal Years	# Transactions for Program Users
7/1/2015- 6/30/16	179
7/1/2016- 6/30/17	378
7/1/2017- 6/30/18	326
Total Transactions	883

Market Expansion Cost Estimates

Since 2012, participation at local farmer's markets has steadily increased and recently, USDA reports that 32% of SNAP dollars are being spent at farmer's markets. Here in Alexandria with a 10.1% poverty

rate, the expansion of the SNAP Double-Dollars program has the potential to reach SNAP recipients who reside in other City communities.

Below is the estimated cost to expand to one and two markets.

Expense Type	One Market	Additional Market	Total
Increase 0.4 FTE to Full-time	\$46,000		\$46,000
Hire 0.25 FTE	\$13,000		\$13,000
Purchase Point of Sale Device plus Annual Fees	\$3,180	\$3,180	\$6,360
Tokens (7,000)	\$1,190	\$1,190	\$2,380
Double Dollar Match Funds	\$2,500	\$2,500	\$5,000
Market Material and Supplies	\$2,600	\$1,300	\$3,900
Grand Total	\$68,470	\$8,170	\$76,640

The program is also supported by volunteers who help with on-site marketing and operations. Markets that are interested in participating in the FINI grant must make application to USDA.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

Operating Budget (Page 9.7): Unassigned/uncommitted fund balance has now increased from 9% of General Fund Revenues at the end of FY 2017, to 10.28% at the end of FY 2018 to a projection of 10.57% at the end of FY 2019. Our target remains 5.5%. Is staff's position that this is an appropriate level for this fund balance? If so, does staff believe the target ratio should be adjusted? (Mayor Wilson)

Response:

The City's General Fund Balance includes different components: Spendable and Unspendable or Reserved. Within the Spendable portion there are three different levels: Spendable, Committed and Assigned. Unspendable Fund Balance is City reserves which cannot be used for any other purpose. Either the funds are already obligated for a specific purpose, such as encumbered for an authorized contract or the resources are not in a spendable form, such as inventory.

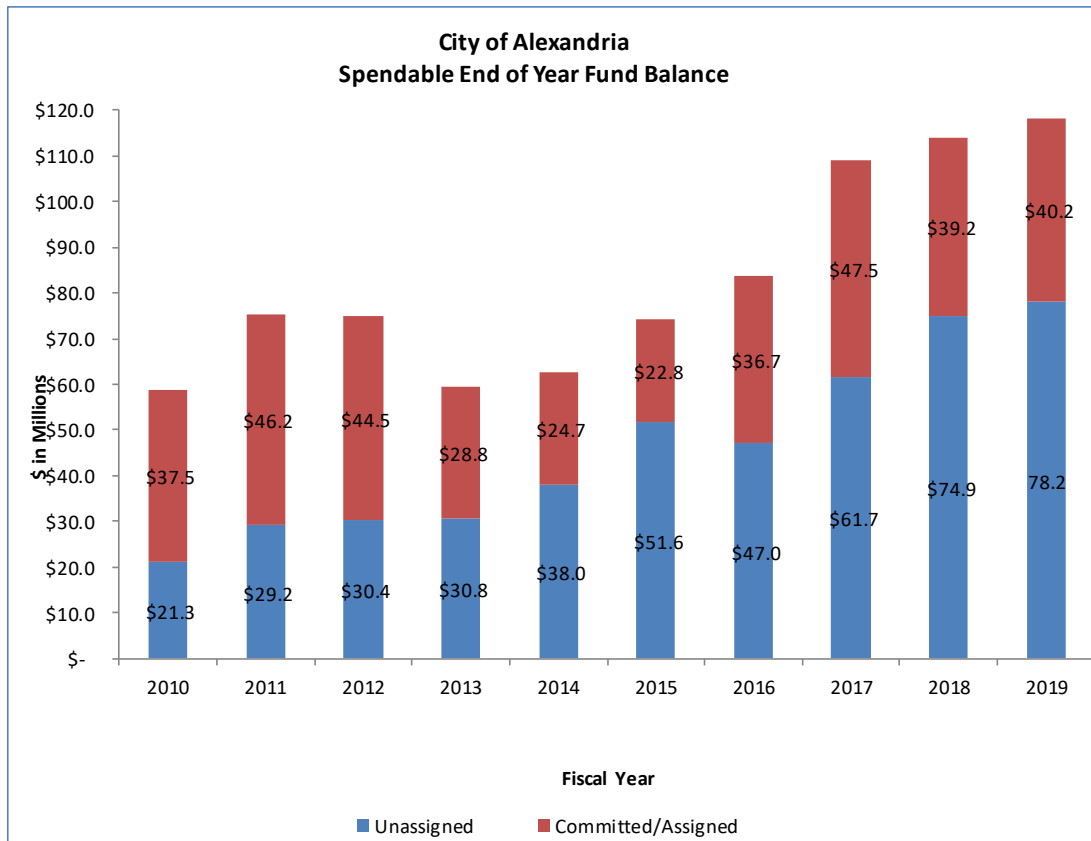
Spendable Fund Balance are resources that City Council can use to fund unforeseen, unbudgeted, one-time needs. Within Spendable Fund Balance, Committed and Assigned funds have been designated for a specific intended purpose, such as natural disasters, incomplete projects or future capital budgets. Although these are the stated intentions, Committed and Assigned fund balance can be used for any purpose, should circumstances change. The remaining Spendable Fund Balance has no designated purpose and is available for one-time uses.

Prior to issuing debt for capital projects, the City obtains ratings from rating agencies (Moody's and S&P), to provide would-be investors with an independent evaluation of the investment risk. One of the factors that contributes to this rating is the Spendable General Fund Balance as a percentage of General Fund Revenues, or more simply - how able is the city to withstand a sudden change in economic condition through reliance on reserves. One of the few negative comments the City received in its ratings analysis related to its low percent of reserves compared to other jurisdictions who hold the highest ratings (AAA/Aaa).

For the past 5 years, a deliberate effort has been in place to raise the Spendable Fund Balance ratio from 10.1 percent in 2013, when the Uncommitted/Unassigned ratio was 5.6 percent, to today's ratio of 16.4 percent, with an Uncommitted/Unassigned ratio of 10.28 percent. By returning surplus revenues and unspent budget authority to Fund Balance, the City has been able to address the concerns of the rating agencies and improve the overall Spendable Fund Balance ratio. Identifying the surplus funds as Uncommitted/Unassigned has helped achieve this goal while minimizing the volatility of identifying future spending designations, appropriating those designations and then replenishing Fund Balance each year. The chart below comes from the Statement of Estimated Fund Balance section beginning on page 9-1 of the FY 2020 Proposed Operating Budget.

The current 5.5% target provides City Council with the maximum flexibility to respond as needed to unexpected resource requirements, while maintaining an overall fund balance policy. It should be noted that City Council has several policies in place to ensure an appropriate level of fund balance, including

limitations on the number of years that fund balance can be used to offset spending and the number of votes required to use fund balance (a super majority). Staff does not recommend making any changes to the targets for Fund Balance at this time, but to monitor the situation for a few more years before considering raising the target percentage.



Estimate for FY 2019

Source: FY 2020 Proposed Operating Budget

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 8, 2019

Question:

Operating Budget (Page 10.4): Can you please provide further detail on the proposed reductions in the contribution rate for both OPEB and LOD? Did a new actuarial study inform these reductions? Can you provide a new schedule of ARC's? (Mayor Wilson)

Response:

Actuarial studies form the basis of all of our contribution rate calculations. It is the City's practice to fund the Actuarially Determined Contribution or ADC. This calculation was previously described as an Actuarially Recommended Contribution or ARC. Nearly all of the City's contribution rates are showing the impact of our actions to protect the sustainability of our pension plan over the past 5 years, as well as considerable market-related returns on investment. In addition, our persistent commitment to funding the OPEB and Line of Duty plans has resulted in a higher discount rate and lower costs.

Line of Duty

Based on the Actuarial Valuation prepared by the City's independent external actuaries, for the valuation date of June 30, 2018, the City's required contribution for FY 2020 for Line of Duty is \$4.1M, which is a \$1.6M reduction compared to FY 2019. The actuarial assumptions in their report reflect that the City will continue to increase the total contribution by \$0.3M annually until the total contribution in FY 2021 is \$3.0 above the PAYGO amount, or the amount already budgeted to be paid for current claims. The OPEB/Line of Duty Funding Policy was formalized in August 2018, formally adopting this existing practice for OPEB and instituting a policy of the newer Line of Duty Plan. For Line of Duty, the plan actuaries are assuming the City will continue to increase the Plan's funding over time and thus are able to assume a higher discount rate than in previous years. The most recent experience study of Fire and Police disability plan showed a lower rate of incidents of disability, which has also contributed to the rate reduction shown in FY 2020.

OPEB

The actuarial estimates for OPEB are also favorable for the City. A consistent history of gradually increasing funding at or above the ARC/ADC has helped to lower the contribution rates in FY 2020. The OPEB plan is projected to be fully funded by 2024 based on current plan benefits, assuming the City continues to make the ADC. The OPEB plan is also enjoying steady investment earnings since its inception. For OPEB, the plan actuaries are assuming the City will continue making the determined contribution and thus are able to assume a higher discount rate.

Projected Actuarially Determined Contributions

Both the Other Postemployment Benefits and the Virginia Line of Duty Act Funds are considered relatively new plans and current valuation studies do not include the projection tables that are reflected for more mature pension plans, such as the City's Supplemental Retirement Plan. For future valuation studies, this information will be requested.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 16, 2019

Question:

Can you provide additional detail on the shift of the HR Analyst position from the pension funding to the General Fund, and subsequent plans to eliminate the General Fund impact in the future? (Mayor Wilson)

Response:

The Fire and Police Pension Board had been concerned with the rising costs of its disability plan and along with City management wanted additional resources devoted to supporting the Alternate Employment Program when an illness or injury results in partial disability and prevents an employee from performing the duties of a sworn police officer or firefighter. These partially disabled employees in some cases can be placed in other City jobs to perform other duties. If a position shifts from pension funded disability to City paid work, then not only does the City save on disability pension costs, but it also can gain from the productive duties of the partially disabled City employee moved to an alternative placement.

The position initially began as pension funded in the Finance Department and was added to address disability pension costs incurred by the Fire and Police Pension Fund. As the work developed, it became clear that the position was more aligned to the Human Resources Department programs and responsibilities given the interrelationships of the Americans with Disabilities Act, Family Medical Leave Act, Workers' Compensation, and Alternate Employment. Also, an issue of governance arose where Fire and Police Pension Board members felt that the HR disability staff position, because it was paid for by the Fire and Police Pension Fund, should take direction from the pension board. Given the work nexus was HR and the position needed to have one chain of command and not two chains of command, it is recommended that the funding source be switched from the Fire and Police Pension Fund to the General Fund.

It should be noted that the costs of this position were already charged to the General Fund, albeit indirectly through the employer contribution charges made to the General Fund by the Fire and Police Pension Fund. Now these charges are proposed to be directly carried as a cost of the General Fund instead of indirectly being carried as a cost of the General Fund. Hence, the change in funding is cost neutral to the General Fund.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 12, 2019

Question: Can you please provide the fiscal impact of the remaining recommendations of the 2015 Old Town Area Parking Study (OTAPS) that have not yet been implemented? (Mayor Wilson)

Response:

The 2015 OTAPS includes 18 recommendations intended to achieve four goals:

- encourage short term visitors to park in metered areas rather than residential blocks
- encourage long term visitors to use transit and park in off-street garages and surface lots
- preserve parking on residential blocks for residents and guests
- encourage compliance at meters and in residential parking districts

Of these recommendations, 12 have yet to be fully implemented. Implementation of the outstanding recommendations may impact future budgets by generating \$120,000 or more in new revenues, potential loss of \$318,000 or more in existing revenue, \$250,000 or more in new expenditures, and four recommendations would maintain a neutral budget (they are already built into ongoing operating expenditures). Below is a cost summary table. Refer to Attachment 1 which includes a full list of all 18 recommendations (including completed recommendations) in detail with the March 2019 progress update and explanations for current budget assumptions.

Potential Future Budget Impacts of Fully Implementing All Recommendations

Parking Management Tool Considered by OTAPs	Revenue Impact	Expenditure Impact
Ticket Fees	(\$300,000)	
Employee Parking & Transit Programs	(\$3,000)	
Transit Service		\$250,000
Pay by Phone Payment in Residential Areas	\$120,000	
Limit Residential Parking Permits	(\$15,000)	
Net	(\$198,000)	\$250,000
Total Cost		\$448,000

2015 OTAPS Work Group Recommendations
March 2019 Update

Parking Management Goal	#	Parking Management Tool Considered by OTAPS Work Group	2015 OTAPS Work Group Recommendation (Majority)	March 2019 Update	Budget Impact
Encourage short term visitors to park in metered areas rather than residential blocks	1	Maximum Time Limit for Meters	(1) Extend maximum time limit for meters <u>west</u> of Alfred Street from 2 to 3 hours* (OTAPS WG motion - 4/29) (2) Extend maximum time limit for meters <u>east</u> of Alfred Street from 2 to 3 hours.	(1) Meters changed to 3 hours in June 2015 west of Alfred. (2) Hourly change for meters east of Alfred to be reviewed with upcoming process to study variable pricing.	(1) n/a - already implemented (2) not a significant impact since total hours meter could be receive money would not change
	2	End Time for Meters	(1) End meter times at 7 pm for meters <u>west</u> of Alfred Street (OTAPS WG motion - 4/29) 2) No change to the end time for meters <u>east</u> of Alfred Street.	(1) Considered during FY 2017 budget process; no changes made due to budget impacts and demand for parking. (2) n/a	n/a
	3	Ticket fees	Reduce the ticket fees for meter violations, but maintain the current fee for residential parking violations.	No update - ticket fees can be reviewed as part of RPP Refresh and upcoming process to study variable pricing.	More discussion is required to determine an appropriate fee. Reducing meter ticket fees to \$25 could result in approximately \$300,000 less revenue. Could be offset with increases fines for <u>residential parking permit violations</u>
	4	Meter rates	No change to the meter rates recommended.	n/a	n/a
Encourage long term visitors to use transit and park in off-street garages and surface lots	5	Garage/Surface Lot Pricing and Payment	(1) Adjust the pricing of the City garages and surface lots to be less than the cost of parking at a meter. (2) Reduce the rates at City garage and surface lots on weekends and evenings. (3) Make City owned surface lots available for long term parking and coordinate the hours of operation with the meters hours. (4) Coordinate operations, maintenance, and policies of facilities between City departments.	Garage fees and hours to be reviewed with upcoming process to study variable pricing.	More research is needed to determine the budget impact of reducing garage fees. While a lower rate would result in less revenue collected at the current occupancy, it could increase usage in the garages which could provide additional revenue.
	6	Wayfinding	(1) Provide/promote digital wayfinding with parking garage information through mobile apps and websites and maintain a current City parking map. (2) Direct staff to add additional parking wayfinding signage consistent with the City's Wayfinding Plan guidelines. (3) Explore adding appropriate real-time information for garage signs.	(1) Digital wayfinding is being considered through the City's Parking Technologies CIP project currently underway. An updated "Where to Park" map and interactive Parking map is currently provided on the City's main Parking webpage (alexandriava.gov/Parking). (2) Additional signage along King Street and Washington Street has been added per the Wayfinding Plan. (3) This will be reviewed through the Parking Technologies project, in coordination with the Board of Architectural Review.	(1) and (3) More research is needed to determine the cost of implementing digital wayfinding or real-time information on garage signage. However, \$2.1 million will be provided under the Parking Technologies grant funding, which would likely be sufficient for these items. (2) No budget impact - Wayfinding signage is currently funded in the budget.
	7	Information and Marketing	Direct staff to work with Visit Alexandria and AEDP to provide better marketing of transit and parking options available in the City, including the City's Pay by Phone feature.	Visit Alexandria and AEDP staff are involved with the City's internal Parking Coordination Group (formed in 2016) to ensure better coordination of information related to parking programs and changes.	No budget impact.
	8	Employee Parking and Transit Programs	(1) Provide more off-street parking options for City employees on the waitlist by increasing the number of monthly garage spaces in City garages or applying the City's garage subsidy to private garages. (2) Direct staff to help facilitate coordination with private garage owners for garage spaces and promoting transit programs for private employers.	(1) No changes made to number of monthly spaces in City garages due to the need to provide some daily parking at these facilities and revenue impacts. (2) City staff continue to work with private employers through the GO Alex program to ensure businesses are aware of all travel options. Developments with a Transportation Management Plan (TMP) and new businesses requesting business licenses or Special Use Permits are required to coordinate with GO Alex staff as a condition of their approval	(1) Approximately \$3,000 less revenue annually by converting daily spaces to monthly permit spaces in the garages. (2) no budget impact - currently done through GO Alex.
	9	Transit Service	(1) Explore adding morning trolley hours and reducing headways. (2) Optimize DASH routes operating in Old Town. (3) Optimize transit fare policy in Old Town with consideration of a fare free transit zone.	(1) Not implemented due to budget impacts and usage. (2) This is currently under review with the Transit Vision Plan. (3) This could be considered after completion of the Transit Vision Plan.	(1) Originally estimated to cost ~\$250,000 a year to start the trolley service three hours ealier at 7AM. (3) Would result in a loss of revenue for DASH
	10	Pay by Phone Payment in Residential Areas	Implement a pilot program for adding a pay-by-phone payment requirement for residential blocks following public engagement with the residents of the proposed blocks. The pay-by-phone payment requirement would not apply to residents of the district where that block is located nor would apply to those resident's guests.	The pilot program was implemented in November 2016 and approved to be a permanent parking management tool within the pilot program area as of March 16, 2019.	Staff estimates this program will generate approximately \$120,000 annually in revenue
	11	Resident Only Parking	Do not implement resident only parking.	n/a	n/a
	12	Restrictions on New Development	No universal restriction be placed on the availability of residential parking permits in new residential developments in districts 1-5 and each DSUP be considered on its own merits with respect to the issuance of residential parking permits. (OTAPS WG motion 5/27)	The Policy for Residential Parking Permits for New Development, which established criteria for when residents of new development would be eligible for residential parking permits, was approved by City Council June 13, 2017.	n/a

2015 OTAPS Work Group Recommendations
March 2019 Update

Parking Management Goal	#	Parking Management Tool Considered by OTAPS Work Group	2015 OTAPS Work Group Recommendation (Majority)	March 2019 Update	Budget Impact
Preserve parking on residential blocks for residents and guests	13	Limit Residential Parking Permits	Do not limit the number of residential parking permits.	This is being reviewed under the RPP Refresh program.	More discussion is required to evaluate the impact. Under current permit fees, a cap of 3 permits would result in a loss of revenue in approximately \$15,000 and a cap of 4 permits would result in a loss of revenue of approximately \$5,000
	14	Residential Parking Permit Fees	Maintain the current residential parking permit fees for the first and second vehicle registered to a household but increase the fee for any additional vehicles.	This is being reviewed under the RPP Refresh program. Slight fee increases were approved in June 2018 to increase the permit fee for the first and second vehicles by \$10 and for all additional vehicles by \$50.	More discussion is needed to determine the appropriate figure for increases to permit fees.
	15	Time limits for residential permit parking districts	Amend the City Code to allow one hour parking as an option for residents to request through the residential permit parking district process.	This is being reviewed under the RPP Refresh program.	No budget impact.
	16	Adjust district boundaries	Reexamine current district boundaries to determine if a smaller district adjacent to King Street would be appropriate.	This is being reviewed under the RPP Refresh program.	No budget impact.
	17	Staff initiated process for amending/creating residential permit parking districts	No change to the process for amending/creating residential permit parking districts	This is being reviewed under the RPP Refresh program.	No budget impact.
Encourage compliance at meters and in residential parking districts	18	Enforcement	(1) Increase funding to modernize citation/enforcement equipment (2) Increase funding to support additional PEOs (3) Reinstate the adjudication process (OTAPS WG motion 5/27)	(1) Two license plate readers and new handheld officer equipment were provided in 2017 as part of a contract with a vendor providing support for the parking citation processing. (2) Five overhire positions were added in FY 2017 for parking enforcement officers. <i>(these positions were not filled and were later converted to 2 police officers for traffic enforcement)</i> (3) The adjudication process was reinstated in	(1) Additional license plate readers cost approximately \$50,000 per unit. Parking Enforcement Unit currently has 2 units (2) n/a - budgeted in a previous fiscal year (3) n/a - already budgeted and implemented

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

May 17, 2019

Question:

What is the estimated cost savings for converting contractor positions to permanent FTEs in ITS? (Mayor Wilson)

Response:

The FY 2020 proposed budget includes the conversion of seven contracted positions that are currently being used to fill ongoing responsibilities into permanent positions in ITS, 2.5 FTEs of which are in the General Fund operating budget and 4.5 FTEs are in the CIP. The annual cost savings from bringing these positions in-house is approximately \$36,500. The more significant advantage is the ability to recruit and retain quality personnel and maintain continuity of staffing.

The total budget in FY 2020 for these seven positions is approximately \$720,000, of which \$255,000 is in the operating budget and \$465,000 is in the CIP. The FY 2020-2029 CIP includes \$465,000 in additional budget authority for these positions because they are currently being charged against project budgets and adding funding for staffing increases funding for infrastructure and contract implementation costs. The FY 2020 proposed operating budget does not include additional funding for the 2.5 FTEs as the temporary positions are funded through vacancy savings in FY 2019. If ITS becomes fully staffed during FY 2020, staff may need to delay future recruitments to continue funding these positions.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 5, 2019

Question:

Which Boards and Commissions receive resources/funding beyond a staff liaison and meals and how much are those proposed amounts? (For example, in FY19 OHA had \$200k in Committee Support to support the Friends groups and Commissions with preservation initiatives. What were these initiatives?) (Vice Mayor Bennett-Parker)

Response:

City Boards and Commissions are supported by an assigned staff liaison from the department that advises the specific board or commission. On March 12, 2019, City Council approved the formation of a Boards and Commission Review Committee to address issues boards and commissions have identified such as resources/funding for support of these entities. There are 72 Boards and Commissions, of which 53 are considered active. A full listing of the roster can be accessed at:

<https://www.alexandriava.gov/boards/info/roster.aspx?id=36650>. Each Board or Commission has at least one staff liaison. Depending on the type of Board or Commission staff support can vary from very part-time to near full-time. Any financial support for boards and commissions is provided by the supporting departments and should be a minimal cost.

Regarding the FY 2019 estimated costs from the Office of Historic Alexandria (OHA) in the amount of \$200,000, this is based on an estimate of staff time spent on not only Boards, Committees and Commissions but also with the various friends' organizations with which OHA works. OHA provides meeting support, including meeting content planning, preparation of meeting minutes, distribution of minutes, agenda, and rosters, and other associated duties. OHA staff also provides event support, including marketing. In total, OHA supports the following Boards, Committees and Commissions: Historic Alexandria Resources Commission (HARC), Alexandria Historic Restoration and Preservation Commission (AHRPC), Public Records Advisory Commission (PRAC), and Alexandria Archaeological Commission (AAC), and their active subcommittees. OHA staff also participate in the Waterfront Commission and staff the two Sister Cities commissions (Caen and Dundee/Helsingborg). In addition, they also work with the following friends' organizations: Friends of Alexandria Archaeology, Gadsby's Tavern Museum Society, Apothecary Mortar and Pestle Society, Friends of Fort Ward, Friendship Fire House Veterans Association, and the Society for the Preservation of Black History. It is estimated, that in total, the following positions spend a portion of their annual hours supporting these various efforts.

- Director – 20%
- Deputy Director – 20%
- Research Historian - 10%
- Museum Director – 10%

- Museum Director – 10%
- Museum Director – 10%
- Curator II – 10%
- Curator II– 10%
- Records Admin/Arch– 10%
- City Archaeologist– 10%
- Admin Support III – 30%
- Museum Education Specialist – 10%

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 17, 2019

Question:

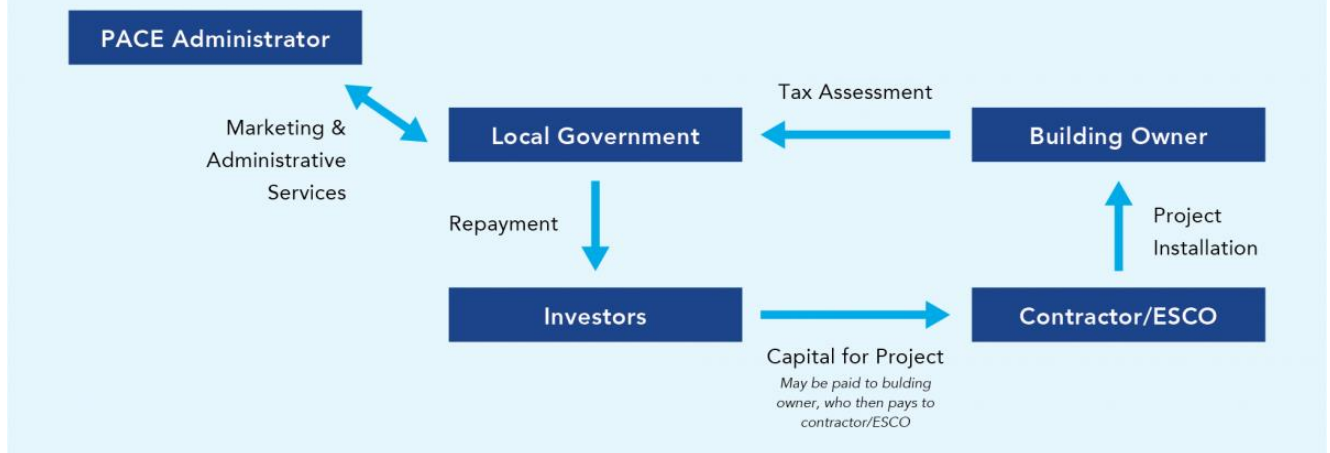
What are the financial benefits to the City implementing a C-PACE program? What can be achieved by C-PACE through a city tax attachment that cannot be accomplished through the private market? What environmental impacts can a C-PACE program provide that the government cannot achieve through legislation? (Councilman Seifeldein)

Response:

A Commercial Property Assessed Clean Energy program is referred to as C-PACE. C-PACE is a financing mechanism designed to promote energy efficiency, water efficiency, shoreline resiliency, stormwater management improvements, and installation of renewable energy systems for commercial, institutional and non-profit, and multi-family buildings with 5 or more dwelling units. C-PACE programs are voluntary and allow property owners to obtain financing for eligible projects, through private lenders, and make repayments via an extra charge on their property tax bill or through a private sector entity. C-PACE programs may be applied to existing buildings as well as new construction.

Implementation of a C-PACE program is authorized by §15.2-958.3 of the Code of Virginia, and is a featured recommendation of the Commonwealth of Virginia's 2018 Energy Plan.^[1] C-PACE uses the financial assessment authority of government to carry out what is usually a private sector lending and payment activity, and as such it is reasonable to question whether or not a government's tax collection authority via special assessment lien should be used for such private purposes. The City Manager has concerns about this program for this reason. If Council wishes to fund a C-PACE program the City Manager recommends the monies be placed in contingency until staff have developed a specific program design by determining a specific implementation strategy which best aligns with City priorities and best practices. Arlington County apparently also had similar concerns and worked out a C-PACE program without the use of its tax collection system or through the County's issuance of a special assessment. Rather, the County delegated the issuance of special assessment liens and the collection of loans to a third party. The County is working on completing its first loans.

Typical CPACE Financing Structure



(Source: US Department of Energy, Better Buildings Initiative)

C-PACE programs generally work as follows. A C-PACE administrator conducts marketing and outreach to identify and originate projects with potentially interested building owners. The C-PACE administrator conducts a project evaluation and seeks all necessary approvals. Once third-party, private financing is secured, contractors install the project equipment and systems, and the customer begins to realize project savings. Subsequently, a C-PACE special assessment lien is placed on the property, and the private financing is repaid in the form of charges added to the building owner's property tax bill or through private collection. The repayment may extend to a period of 10 to 20 years. If the property is sold during the C-PACE repayment period, the lien securing the assessment remains with the property and becomes an obligation of the new building owner. The lien cannot be reduced or discharged through a bankruptcy filing. Non-payment of a C-PACE assessment results in the same set of repercussions as a failure to pay any other portion of the property tax bill.

Question: What are the financial benefits to the City implementing a C-PACE program?

An analysis of specific and detailed financial benefits to the City has not been developed. However, C-PACE programs across the United States have demonstrated numerous benefits that include furthering economic development goals such as job creation, improving building owner cash flows for reinvestment in businesses and properties, and stabilizing building ownership and tenancy[2],[3]. Furthermore, as a C-PACE program provides building owners the opportunity to upgrade their buildings – which may include substantial deferred maintenance needs – and implement permanent energy efficiency, water efficiency, shoreline resiliency, and stormwater management improvements that are affixed to the building, the result is an overall improvement to the building's value. Finally, as a C-PACE program supports implementation of energy efficiency, water efficiency, and stormwater management improvements in commercial, institutional and non-profit, and multi-family dwellings, this necessarily supports the City's goals identified in the Environmental Action Plan.

A preliminary analysis of City's publicly-accessible property tax assessment records, performed by the Virginia Energy Efficiency Council (VAEEC)[4], estimates the number of buildings in Alexandria that may benefit from energy and water efficiency improvements enabled through a C-PACE program may exceed 2,000 buildings totaling over 24,000,000 square-feet of floor area.

In Virginia, Arlington County and the City of Fredericksburg currently have operating C-PACE programs, and Loudoun County and Fairfax County are in process of implementing C-PACE programs in their respective jurisdictions. The District of Columbia, Montgomery County, and Prince George's County have operating C-PACE programs. Arlington's C-PACE program minimizes the role of the County government and does not use its tax system or any other County system for collection of loan repayments by utilizing a private third-party contractor to perform enforcement and collections of the program. Both Arlington and Loudoun Counties have included language in C-PACE enabling legislation to financially protect the jurisdictions from liability in the event of any and all defaults for loan repayments, fees, other charges and penalties.

Question: What can be achieved by C-PACE through a City tax attachment that cannot be accomplished through the private market?

A C-PACE program, and the use of a City lien attachment, serves as a mechanism to enable the benefits of what is typically accomplished through the private financial lending markets. C-PACE programs are voluntary and allow property owners to obtain financing for eligible projects, through private lenders, and make repayments via the city tax attachment on their property tax bill. As a result, a C-PACE lien is placed on the property. If the property is sold during the C-PACE repayment period, the lien securing the assessment remains with the property and becomes an obligation of the new building owner. Non-payment of a C-PACE assessments results in the same set of repercussions as a failure to pay any other portion of the property tax bill.

Financing through a C-PACE program is typically structured to cover 100% of project cost with long 10 - 20-year terms that is not to exceed the useful life of the installed equipment. This results in lower annual payments that are typically less than project savings which provides cash-flow for repayment. Financial risk management provisions are also a key feature of a C-PACE program, including mortgage lender consent and the ability to include evaluation metrics such as savings-to-investment ratio and loan-to-value ratio. In addition, a C-PACE program provides a government sponsorship with a level of program oversight that adds a layer of integrity, an independent program administrator is responsible for project technical underwriting, commissioning, and performance measurement and verification. As a result of these C-PACE program features, a building owner may achieve more favorable loan terms (i.e. better interest rates and long repayment terms) through competitively-sourced financing as there is strong financial security for investors. Moreover, C-PACE can align incentives for landlords and tenants, as both the tax assessment and cost-savings from the project can be shared with tenants under most lease structures.

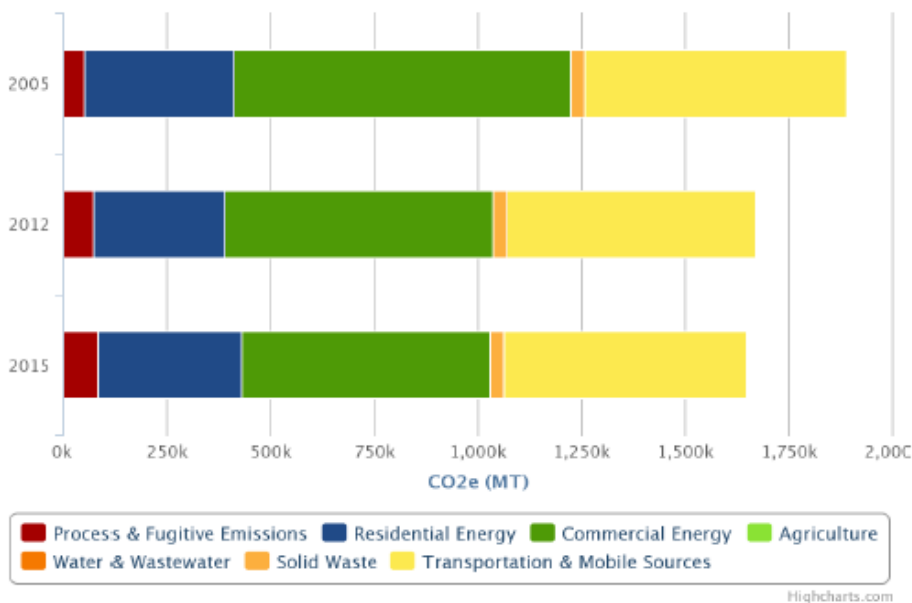
Alternatively, absent a C-PACE program, as an example, a commercial, institutional, or multi-family building owner may elect to use cash payment or seek out a conventional commercial loan which most

often do not have the same features or benefits due to the lack of financial security for investors of the government's lien and collection authority which has been extended to C-PACE. Moreover, the technical facilitation and oversight may not be available in a strictly private market circumstance.

Question: What environmental impacts can a C-PACE program provide that the government cannot achieve through legislation?

As a result of Virginia's Dillon Rule and statutory restrictions, the City of Alexandria has many limitations on what environmental impacts it may achieve through legislation. This is especially true of privately-owned existing buildings. The City's Green Building Policy provides a mechanism to support achieving environmental impacts for any new construction seeking a Development Special Use Permit (DSUP) or Development Site Plan (DSP). The City's Green Building Policy does not currently have a similar mechanism for existing commercial, institutional, or multi-family buildings.

According to greenhouse gas inventory analysis performed by the Metropolitan Washington Council of Governments (MWCOC), in partnership with City of Alexandria staff, nearly 40% of the Alexandria community's greenhouse gas emissions are attributed to existing commercial, institutional, and multi-family dwellings.



(Source: City of Alexandria, Metropolitan Washington Council of Governments)[5]

In order to achieve environmental impact goals outlined in the City's Environmental Action Plan 2040 (EAP), programs and tools that provide opportunity for commercial, institutional, and multi-family buildings to reduce their greenhouse gas emissions through energy efficiency and renewable energy are necessary. In fact, the City's implementation of a C-PACE program is identified as an EAP Phase 1 action. The City's Green Building Advisory Group's forthcoming Green Building Policy update also recommends the City's implementation of a C-PACE program to reduce greenhouse gas emissions from existing commercial, institutional, and multi-family buildings. This recommendation has been supported by

numerous Alexandria building owners and real-estate developers. A C-PACE program also provides opportunity for building owners to implement water efficiency, shoreline resiliency, and stormwater management improvements to achieve beneficial environmental impacts. **Because of the proposed use of the City's lien attachment to ensure collection of private C-PACE payments from property owners, the City Manager has not decided whether or not he will be recommending that the City adopt a C-PACE program. Given the Arlington model, which staff needs to further explore, if Council decides it wants to fund C-PACE the City Manager recommends that the monies be put into contingency until the details of how the program would work in Alexandria could be worked out.** It should be noted that SRS who has written the City advocating C-PACE and whose representative advocated for C-PACE at Council's April 13th public hearing is a for profit company who would likely directly benefit from Council adopting a C-PACE program.

Sources:

- [1] <https://www.dmme.virginia.gov/DE/VirginiaEnergyPlan.shtml>
- [2] <https://pacenation.us/case-studies/>
- [3] <https://betterbuildingsinitiative.energy.gov/financing-navigator/option/cpace#case-studies>
- [4] <https://vaeec.org/>
- [5] https://www.alexandriava.gov/uploadedFiles/tes/eco-city/Alexandria%20GHG%20Factsheet_Apr2018%20-%20FINAL.pdf

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 5, 2019

Question: Please provide any budget comments and feedback submitted online. (Routt, Director of Management & Budget)

Response: The following items were received as of April 3, 2019. They followed the release of an Alexandria eNews Resource Recovery Announcement that included an invitation to comment on the proposed change to replace the April/May weekend Spring Cleanup with ongoing bulk trash pickup throughout the year.

Comment # 4

I don't think it is worth the money to have bulk trash pickup throughout the year. Maybe twice a year at the most.

Comment # 5

I am disappointed by the proposed change to the city's Spring Cleanup program and urge you to reconsider. Because entire neighborhoods participate in the cleanup on the same designated date, people go out of their way to look through items the night before to see if there are things that they want, that can be repurposed, that can be recycled, etc. Trucks go through and pick the metal out of the piles and take it in for recycling. I have seen large piles reduced to almost nothing by the time the city comes to pick up the trash. I am concerned that changing this to bulk trash throughout the year will increase the items that go in the garbage and decrease the amount that is reused and recycled.

Comment #6

We fully support the replacement of the April/May weekend Spring Cleanup with ongoing bulk trash pickup throughout the year.

Comment #7

Proposal to get rid of Spring Cleanup and replace with ongoing bulk trash pick up throughout the year is a great idea and much appreciated. I'm a HOA officer for HOA that sits on 900 Franklin and 600 S. Alfred Sts and trash is dumped on/around our property occasionally. A year round pick up would be very helpful. Thank you.

Comment #8

I would prefer the annual spring cleanup/collection continue. Many seem to put out items they hope will be rescued and reused. We have set out a number of things that apparently went to new homes. We also have rescued a backyard swing (which someone else rescued from us a couple of years ago!), a deco bedroom dresser, and a few other items. We find it to be quite the fun adventure!

Comment #9

1) I WOULD like to see community shredding service added to the FY2020 Proposed Budget and Capital Improvement Program for recycling. Fairfax County offers this to its residents, and is working well. in the proposed 2020 Budget. With increased awareness of privacy and security, paper shredding is an

excellent way for the City to support it's residents in both waste reduction and personal security/privacy.

2) I am OPPOSED to the FY2020 Proposed Budget and Capital Improvement initiative to eliminate Alexandria's annual Spring Cleanup and replacing that with bulk trash pickup. I lived in Fairlington Villages Condominium over a decade before moving to my current address, and the condo had every-Thursday "large trash" pickup. The drawbacks are that people leave out their bulk trash items on the street (sometimes well-ahead of scheduled pickup), and on the night before we would have vehicles circling the neighborhood looking for treasures. The scavenger hunt increased traffic, and in residential Alexandria neighborhoods any increase in traffic is - in my opinion - highly undesirable. Thank you.

Comment #10

I would like to have Spring Clean-Up perhaps 2 to 4 times a year, but not during every weekly pick-up.

Comment #11


The collection of bulk solid waste throughout the year instead of just one Saturday in the spring is something that I've wanted ever since I moved to Alexandria (over 50 years ago!).

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 3, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER 

SUBJECT: BUDGET MEMO #65: RESPONSE TO CALL.CLICK.CONNECT LETTER FROM ALEXANDRIA COMMANDERS ASSOCIATION

This memo is provided with regard to the recent request that was submitted through Call.Click.Connect. by Michael Kochis, President of the Alexandria Commanders Association.

Following a Police Public Safety Working Group (PSWG) meeting on January 4, 2019, Mr. Kochis requested to discuss his concerns of pay inequity that he believed resulted from maintaining salaries for Deputy Chiefs who were reclassified and placed in Police Captain positions as a result of a reorganization. The City chose to maintain these higher salaries in order to prevent financial harm to all incumbents, female and male, and did this acknowledging that this would result in these employee's salaries being considered "red-circled" and outliers within the Police Captain classification. On February 26, 2019, Mr. Kochis presented his concerns and outlined what he believed to be two contributing issues – (1) that this pay decision as a part of the reorganization "might be a violation of the Equal Pay Act", and (2) that the 6.22% increase in October 2019 and proposed adjustment to the Executive Pay Scale have left Lieutenants and Captains as the only classifications that are behind the average of the market based on the review of market alignment in October.

The City's Human Resources Department (HRD) reviewed Mr. Kochis' concerns, and a response was provided on March 27, 2019 that explained why there was no violation of the Equal Pay Act, and the business decision to maintain the higher salaries of the former deputy chiefs. Additionally, the 6.22% increase that was provided to all classifications on the police pay scale was the result of a proposal that was presented by Mr. Kochis on behalf of the Police PSWG membership at a City Council meeting last Spring. This strategy of applying a 6.22% increase resulted in an even increase across all Police classifications but was not designed to address how much individual classifications deviated from the market average pay; this outcome was identified and shared by HRD with the PSWG at a meeting prior to finalizing the proposal. As a result, the goal to improve the average midpoint was achieved but individual classifications that were farther behind in the market did not reach the same level of improvement that would align the range midpoint to the comparable market midpoint. In effect those police classifications which were more below market helped raise other Police classifications that were less below market. This was the agreed to methodology in which making an on-off adjustment at this time just for Police Lieutenants and Captains would be inconsistent with the agreed to methodology.

The right time to address regional public safety competitiveness would be (as indicated in my attached memo) as part of the FY 2021 budget process.

The three PSWG's (Police, Fire, Sheriff) were established by the City Manager to collaboratively engage employee's in public safety departments to be active participants in City HR related activities from beginning-to-end, including salary benchmarking, policy evaluation, and identifying opportunities to support the employee population. Last Spring, all PSWG groups were provided with guidance that expressed the City's desire to focus on activities related recruitment and retention of public safety employees. While pay has been the priority topic of the PSWG, a focus on recruitment and retention must also include well-rounded and diverse programs that work together to support all employees. As our pay systems continues to be refined to make the City responsive to market changes, the focus must expand to ensure that we have meaningful, sustainable programs.

Additionally, we must maintain our commitment to General Scale employees as they also face challenges in recruitment and retention. Over the last five years, General Scale increases have been limited to a single-step expansion of their pay scale and 1% increases for five years as an offset to the increase to VRS mandatory contributions. A summary of increases that have been approved on the City's pay scales is below:

	<u>Police</u>	<u>Fire</u>	<u>Sheriff</u>	<u>General Schedule</u>
FY20	None	None	2.37% Increase	None
FY19	6.22% increase	5% increase	Increases provided to four classifications: - Deputy Sheriff I - 5% - Deputy Sheriff II - 5% - DS, Lieutenants - 10% - DS, Captain - 5%	None
FY18	2.3% (one-step) added to end of scale	2.3% (one-step) added to end of scale	2.3% (one-step) added to end of scale	2.3% (one-step) added to end of scale
FY17	None	Increases provided by classifications: - Firefighter I-IV - 2.5% - Officers - 7.5% - Medics - 1% for VRS Off-set	1% for VRS Off-set	1% for VRS Off-set
FY16	4.5% increase	- Medics - 1% for VRS Off-set	1% for VRS Off-set	1% for VRS Off-set

Competition in the market for public safety positions is high and is expected to continue to be a top priority in the region; a number of neighboring jurisdictions are increasing public safety compensation in FY 2020, which triggers the City's planned review for FY 2021.


Attachment – City Manager's response to Police Commanders Association

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 27, 2019

TO: MICHAEL KOCHIS, PRESIDENT
ALEXANDRIA COMMANDERS ASSOCIATION

FROM: MARK B. JINKS, CITY MANAGER 

SUBJECT: ALEXANDRIA POLICE DEPARTMENT PAY ISSUE FOR CAPTAINS AND LIEUTENANTS

This memorandum is in response to the pay issues that you presented on February 26, 2019. Specifically, you presented two issues: (1) "there are a female captain and an African American male captain who have more time in service than two white male captains and can never make as much as them under the current pay structure or practice," and (2) "currently, all pay grades are at or within 2% of the midpoint of comparator jurisdictions except for lieutenants who are 6.37% behind and captains who are 4.51% behind". You also stated that the difference in pay is believed to be a violation of the Equal Pay Act.

Issue 1: In March 2018, Police Chief Michael L. Brown issued a memorandum to announce the reorganization of the Alexandria Police Department. The reorganization resulted in several changes, including the reclassification of deputy chief positions. Both female and male incumbents in the deputy chief positions were reclassified and placed in the rank of a police captain and reassigned, and their pay rates were maintained and reflected the salary received at the higher rank as deputy chief. This means that the incumbents' pay rates after reclassification to the lower rank are above the maximum salary identified for the police captain position (Grade 20, \$146,255.72). Thus, the incumbents' salaries are considered red-circled and are outliers.

The purpose of maintaining the higher salaries was to prevent financial harm to both female and male incumbents who were reclassified to a lower rank as a result of the reorganization. This is a legitimate reason for the difference in pay and the business decision was not based on gender. Moreover, this business decision was not based on race. Red-circling is a commonly accepted tool used these types of circumstances. In summary, the Equal Pay Act of 1963 ("the EPA") requires that men and women be given equal pay for equal work in the same establishment, and that differences in pay are permitted when based on a factor other than gender. The business decision to maintain the higher salaries of both female and male incumbents who were reclassified from the rank of deputy chief to the lower rank of captain is a legitimate business reason and does not violate the EPA. Although compensation discrimination on the basis of race is not covered by the EPA, it is important to note that the aforementioned business decision was not based on race.

Issue 2: I want to underscore our intentions to continue efforts to address public safety pay. In September 2018, some of the pay disparity was addressed for the Police supervisory and command staff with a 6.22% pay increase based on recommendations from the Police Public Safety Work Group (PSWG) recruitment and retention strategy, which applied to all Police classifications. This strategy applied increases evenly across all Police classifications but did not address how much individual classifications deviated from market average pay. This outcome was discussed prior to finalizing the proposed pay increases to City Council. As a result, the goal to improve the average midpoint was achieved but individual classifications that were farther behind in the market did not reach the same level of improvement that would align the range midpoint to a comparable market midpoint.

As you know, the City's Human Resources Department will be hiring a firm this year to conduct a citywide compensation study beginning this fiscal year. The hoped-for objectives of the compensation study are to (1) assist the City in updating its compensation system, (2) develop a competitive pay plan based on market data, and (3) ensure the pay plan is fiscally responsible, fair, internally equitable and externally competitive. What we don't know at this time is how in-depth this compensation study will be able to go to. Regardless, the findings of the study will help to some unknown degree to further address public safety pay and market competitiveness and help to inform decision-making in the FY 2021 budget process.


cc: Debra Collins, Deputy City Manager
Shawnda Howard, Chief Human Resources Officer
Michael L. Brown, Chief of Police

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 5, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: BUDGET MEMO #66: REVENUE RE-ESTIMATE AND TECHNICAL ADJUSTMENTS FOR ADD/DELETE

The purpose of this memorandum is to inform City Council of the technical budget adjustments proposed by staff as part of the add/delete process. This presents the final revenue and expenditure update before the add/delete process. *The sum of revenue re-estimate and technical adjustment expenditure changes provides a net General Fund gain of \$232,605.* Staff recommends this funding be placed in General Fund contingent reserves for unforeseen needs in mid-year FY 2020.

The major changes from the proposed budget are reflected in the chart below and discussed on the following pages.

General Fund	
Revenues	
Revenue Re-estimates	\$242,072
DCHS Refugee Grant adjustment	\$(80,000)
Total Revenue Adjustments	\$162,072
Expenditures	
Necessary Operating Budget Adjustments	
Affordable Housing Fund transfer correction	\$ 52,969
Affordable Housing Fund transfer re-estimate	\$ 46,200
DCHS Refugee Grant adjustment	\$(80,000)
DCHS position reallocation	\$(41,627)
Magistrate Adjustment	\$(48,075)
Total Expenditure Adjustments	\$(70,533)
Net General Fund Position	\$232,605

Revenue Changes

Annually, at the beginning of April, City staff re-estimates current fiscal year and subsequent fiscal year revenues based on additional months of collection data. The result of those projections shows an overall increase of \$242,072 compared to the amount estimated in the City Manager's Proposed Budget.

The table below includes the FY 2020 revenue estimation changes from February to April. Most of these changes reflect an increase in projected interest on General Fund investments, an increase in charges for services, and Compensation Board increases in the proposed.

Change from February Revenue Estimates	FY 2020
Local Sales & Use Taxes	\$100,000
Business License Taxes	(\$500,000)
Motor Vehicle License Taxes	\$3,000
Tobacco Taxes	(\$200,000)
Transient Lodging Taxes	\$400,000
Restaurant Meals Taxes	\$231,000
Communications Sales Tax	(\$100,000)
Treasury Parking Fines	(\$200,000)
State Compensation Board	\$29,478
Charges for Services	\$158,594
Use of Money and Property	\$300,000
Non-Revenue Receipts	\$20,000
Total	\$242,072

As discussed at the budget work session there may be significant CSB dollar loss in state aid due to erroneous Medicaid new enrollee revenue estimates that CSB's statewide might earn. The dollar amount is unknown. Also, at the state level, the General Assembly's approval of the Internet Sales Tax will result in a gain of an unknown amount by every Virginia local government. With the CSB shortfall and the Internet Sales Tax gain both being unknown dollar values, neither is being counted in these revenue re-estimates since they can be used to partially or fully offset each other.

The revenue re-estimates described in detail below reflect current tax rates and revenue policies continued or already reflected in the FY 2020 Proposed Budget.

The FY 2020 revenue estimates in the FY 2020 Proposed Budget were based on revenue collections and trends through December 2018. The latest estimates are based on revenue collections through March 2019, with exceptions as noted below. Based on actual receipts and trends through March, the FY 2020 revenue estimates have been changed as detailed below. These technical revenue adjustments will be reflected on the preliminary and final Add/Delete lists.

FY 2020 Revenue Estimates			
Revenue Source	Proposed Budget	April Estimate	Difference
Local Sales & Use Taxes - Increase of 0.3% compared to the proposed budget, based on FY 2019 actuals to date	\$28.7M	\$28.8M	\$0.1M
Business License Tax - Decrease of 1.5% compared to the proposed budget, based on FY 2019 actuals to date	\$34.4M	\$33.9M	(\$0.5M)
Motor Vehicle License Taxes – Revenue increase of 0.1% based on FY 2019 actuals to date	\$3.847M	\$3.850M	\$0.003M
Tobacco Tax - Revenue decrease of 7.1% compared to the proposed budget, based on FY 2019 actuals to date	\$2.8M	\$2.6M	(\$0.2M)
Transient Lodging Tax - Revenue is expected to increase by 3.2% compared to the proposed budget, based on FY 2018 growth rate of 3.1% on base less anticipated impact of WMATA shutdown	\$12.4M	\$12.8M	\$0.4M
Restaurant Meals Tax - Increase of 1.0% compared to the proposed budget, based on FY 2019 actuals to date, less impact of WMATA shutdown	\$24.0M	\$24.2M	\$0.231M
Communications Sales Tax - Decrease of 1.1% compared to the proposed budget, based on FY 2019 actuals to date	\$9.3M	\$9.2M	(\$0.1M)
Parking Fine Charges – Decrease of 6.6% compared to the proposed budget, based on FY 2019 actuals to date but with assumption to regain about half of the loss in FY 2020.	\$3.1M	\$2.9M	(\$0.2M)
State Compensation Board Revenue - Increase of 0.1% compared to the proposed budget, based on proposed Virginia Budget Bill FY 2019-2020 (HB1700)	\$48.11M	\$48.14M	\$29,478
Ambulance Charges - Increase of 4.9% compared to the proposed budget, based on FY 2019 actuals to date	\$2.6M	\$2.7M	\$0.125M
Marina Fees - Increase of 20.8% compared to the proposed budget, based on FY 2019 actuals to date	\$161,406	\$195,000	\$33,594
Interest on General Fund Investment - Increase of 4.0% compared to the proposed budget, based on FY 2019 actuals to date	\$7.5M	\$7.8M	\$0.3M
Sale of Impound Lot Vehicles - Increase of 20.00% compared to the proposed budget, based on FY 2019 actuals to date	\$100,000	\$120,000	\$20,000
Total			\$0.2M

DCHS Refugee Grant Adjustment: The FY 2020 Proposed Budget includes funding from a DCHS Refugee Career Pathways grant from the Office of Refugee Resettlement, U.S. Department of Health & Human Services. This grant will provide 75 refugee professionals in Alexandria and the Commonwealth of Virginia with employment readiness training and job placement in their career fields. This grant is for \$80,000 per year for three fiscal years and was included in the Manager's Proposed Budget to offset General Fund expenses for the DCHS staff implementing the grant. Administration recommends that this grant revenue and associated General Fund expenses be moved to a Special Revenue Fund. For all changes related to this DCHS grant, the impact is net zero when compared to the Manager's Proposed Budget.

Expenditure Changes

Affordable Housing Fund Transfer Correction: Early in the budget development process, OMB re-balanced the Affordable Housing General Fund transfer based on revised revenue re-estimates. In the process of re-balancing, OMB omitted the General Fund support for Alexandria Housing Development Corporation (AHDC) which is also budgeted in the same line item. This adjustment also impacted the grant match for CDBG funding. To correct for this error, \$52,969 is added to the General Fund transfer, \$26,169 for AHDC operating support and \$26,800 for the CDBG grant match.

Affordable Housing Transfer Re-estimate: A re-estimate on the Meals Tax of \$231,000 generates an additional \$46,200 for the dedicated Affordable Housing funding in the CIP. This technical adjustment recognizes the additional revenue and increases the General Fund transfer to the Affordable Housing Fund by the increased amount.

DCHS Refugee Grant Adjustment: This represents the decrease \$80,000 in the General Fund, in conjunction with the removal of \$80,000 of revenue as highlighted above. Administration recommends this grant be recorded in the Special Revenue grant fund instead of the General Fund. The impact is a net zero on the General Fund and an increase of \$80,000 to the Special Revenue grant fund.

DCHS Position Reallocation: DCHS submitted a request to reclassify and reallocate a position from the General Fund to a Special Revenue grant fund in FY 2019. The request was approved and will generate \$41,627 in savings for the General Fund. The total reclassified position costs \$95,116 and will be funded with grant funding and General Fund support based on current grant allocations and formulas.

Magistrate Adjustment: The Magistrate's Office contacted the Office of Management and Budget to request an update to the City allocation. Per legislation passed in 2008, only magistrates who served in that capacity on June 30, 2008 are eligible for the supplement pay. This past year, two magistrates retired resulting in a savings of \$48,075 for the FY 2020 budget.

Non-General Fund Adjustments	
NVTA Administrative Costs	\$ (157,500)
Sheriff Probation and Pre-trial grant adjustment	\$ (15,095)
Affordable Housing Fund transfer correction	\$ 52,969
Affordable Housing Fund transfer re-estimate	\$ 46,200
DCHS Refugee grant adjustment	\$ 80,000
DCHS position reclassification	\$ 95,116
Total Expenditure Adjustments	\$ 101,690

Special Revenue Funds

NVTA 30% Administrative Fees: On March 21, 2019 the Governor signed SB 1468 into law. This bill removed the authority for NVTA to charge administrative fees on the NVTA 30% (operating) funding. Per the bill, future administrative costs will be calculated as part of NVTA 70% competitive project requests. By reducing NVTA 30% expenditures by \$157,500, this allows the amount of revenue budgeted to be used in FY 2020 to be reduced by the same amount and reprogrammed in future years. There is no General Fund impact with this adjustment.

Sheriff Pretrial and Local Probation Grant: The Sheriff's Office has requested to reduce the anticipated revenue for the Pre-trial and Local Probation grant. This funding is budgeted solely in the special revenue grant funds. The request reduces FY 2020 revenues and expenses to the funding allocation awarded in FY 2019, a total reduction of \$15,095.

Affordable Housing Fund Transfer Correction: Early in the budget development process, OMB re-balanced the Affordable Housing General Fund transfer based on revised revenue re-estimates. In the process of re-balancing, OMB omitted the General Fund support for Alexandria Housing Development Corporation (AHDC) which is also budgeted in the same line item. This adjustment also impacted the grant match for CDBG funding. This portion of the technical adjustment recognizes the \$52,969, \$26,169 for AHDC operating support in the Affordable Housing Fund and \$26,800 for the CDBG grant match in the Special Revenue grant fund.

Affordable Housing Transfer Re-estimate: A re-estimate on the Meals Tax of \$231,000 generates an additional \$46,200 for the dedicated Affordable Housing funding in the CIP. This technical adjustment recognizes the additional revenue from the General Fund via a transfer to the Affordable Housing Fund.

DCHS Refugee Grant Adjustment: This represents the increase of \$80,000 in the Special Revenue grant fund to record this revenue and expense solely in the Special Revenue grant fund instead of the General Fund. There is no net impact on the General Fund as both revenues and expenses were removed from the General Fund.

DCHS Position Reallocation: DCHS submitted a request to reclassify and reallocate a position from the General Fund to a Special Revenue grant fund in FY 2019. The request was approved and will generate \$41,627 in savings for the General Fund. The total reclassified position costs

\$95,116 and will be funded with grant funding and General Fund support based on current grant allocations and formulas. The special revenue grant fund increases \$95,116 to recognize the position cost which was reallocated from the General Fund.

Capital Project Funds	
Affordable Housing Fund transfer re-estimate	\$46,200
Community Electric Vehicle Infrastructure Strategy	\$100,000
Total Expenditure Adjustments	\$146,200

Capital Projects Fund

Affordable Housing Transfer Re-estimate: A re-estimate on the Meals Tax of \$231,000 generates an additional \$46,200 for the dedicated Affordable Housing funding in the CIP. This technical adjustment completes the second transfer of funding from the Affordable Housing Fund to the Capital Improvement Program, Affordable Housing Project.

Community Electric Vehicle Infrastructure Strategy: The FY 2020 proposed budget includes \$100,000 in Equipment Replacement fund balance for the development of a community electric vehicle charging infrastructure strategy. This is a one-time investment in consultation expenditures in support of the City Environmental Action Plan from the Equipment Replacement fund. This funding will be transferred from the Equipment Replacement fund to the Capital Improvement Program's Energy Management Project where it will be expended. There is no additional cost for this item, it just changes where the item will be expended.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP Budget
Questions & Answers

April 5, 2019

Question:

BFAAC Report on the City Manager's Proposed Budget for Fiscal Year 2020

Response:

Please find attached the Budget and Fiscal Affairs Advisory Committee's (BFAAC) Report on the City Manager's Proposed Budget for Fiscal Year 2020, which is under consideration for adoption on May 1, 2019.

Budget and Fiscal Affairs Advisory Committee

Report on the City Manager's Proposed Budget for Fiscal Year 2020

City of Alexandria, Virginia
April 5, 2019

Jesse O'Connell, Chair
Kathy Stenzel, Vice-Chair
Janet Blair-Fleetwood, Secretary
Paul Igasaki
Benjamin Klein
Nicholas Lee
Skip Maginniss
Richard McPike
Gregory Parks
Robert Rapanut
Deb Roepke
Joe Valenti

MESSAGE FROM THE BFAAC CHAIRMAN

Mayor Wilson and Members of Council,

Enclosed you will find a report from the Budget and Fiscal Affairs Advisory Committee (BFAAC) reflecting on the City Manager's proposed budget for FY 2020. There have been notable successes this past year related to our budget, including the move to the priority-based budget system and increased alignment and partnership with Alexandria City Public Schools (ACPS). Challenges do remain, however, and this report will particularly highlight the continued need to forecast and diversify revenue, as well as make planning and policy changes that will improve stakeholder engagement.

The City Manager should be commended for delivering a budget that emphasizes providing a range of services, while minimizing additional tax and fee burden on residents. Efforts to provide oversight of the operating budget in search of inefficiencies should never be abandoned. It is clear that most City departments and functions have done the necessary scrutiny to reduce extraneous costs to a point where additional reductions will start to diminish the quality of services provided. Given that observation, BFAAC continues to voice the need to grow and diversify the City's revenue base. We recommend conducting a revenue forecast in conjunction with establishing revenue goals. This process will inform actionable strategies to grow the City's revenue base, particularly on the commercial side.

Our report also looks at key process issues, including a continual assessment of how to improve the budget process and timeline. The following are our key recommendations, which are outlined in more detail in the report:

Revenue Recommendations

- **BFAAC encourages Council to develop a long-term revenue plan with concrete goals and strategies to grow the City's revenue base.**
- **BFAAC encourages Council and OMB staff to look for avenues to increase transparency into and citizens' awareness of Alexandria's longer-term fiscal challenges along with potential actions and tradeoffs needed to close these gaps.**
- **BFAAC would welcome the opportunity to have a focused discussion with Council and staff to identify strategies to address future budget deficits through projected revenue planning and other mechanisms that look beyond the current fiscal year.**
- **BFAAC encourages Council to continue to leverage Alexandria's appeal to maximize economic development, while fully engaging the business community in delivering the capabilities visitors and residents require.**
- **BFAAC encourages Council to maximize City assets, including capital, land and expertise, continually evaluating return on investment and opportunity cost of each asset.**

- **BFAAC urges Council to provide AEDP with the resources to accomplish its mission; accelerate its research and analysis of desirability factors for attracting and retaining businesses; and implement policies to reverse the decline in the commercial contribution to the tax base.**

Process and Policy Recommendations

- **BFAAC applauds the City Manager for taking steps to ensure Council has more time to consider the CIP budget.**
- **BFAAC recommends Council and OMB staff develop a process within the Council's annual calendar to consider information on the City's projected longer-term fiscal condition and the impacts of policy options.**
- **BFAAC commends the City for the successful execution of the priority based budgeting process.**
- **BFAAC suggests the Council adapt and reconsider the resident survey process so that future priority based budgeting efforts are not just internally-driven processes, but also account for the services and the level of services that meet the City residents' expectations.**
- **BFAAC encourages Council to use the Ten Year Budget History report, which shows the aggregate impact of budget reductions, to be mindful of the previous cuts and impacts on City services.**
- **BFAAC urges Council to sunset set-asides or automatic designations of revenue, except when used to fund state or federal matching fund requirements. Every dollar in the budget should be prioritized based on common criteria.**
- **BFAAC encourages Council to examine the feasibility of including information with the tax bill that shows how the dollars are allocated, essentially providing residents with the results that would otherwise be available online using the real estate tax receipt calculator.**
- **BFAAC commends the City Manager for looking at creative approaches to increase transparency and funding to meet ongoing school CIP needs. BFAAC recommends further analysis before the separate school capital and debt service tax rate is formally proposed or adopted.**
- **BFAAC applauds Council and ACPS for more closely coordinating their respective budgets for FY 2020.**
- **BFAAC encourages Council to ensure any changes to the budget timeline, including decoupling consideration of the operating and CIP budgets, is closely coordinated with ACPS.**

As an addendum to this report, attached please find two memos that BFAAC already sent Council: (1) our FY 2020 workplan, (2) recommendations concerning the FY 2020 budget guidance; as well as a status update of our affordable housing memo.

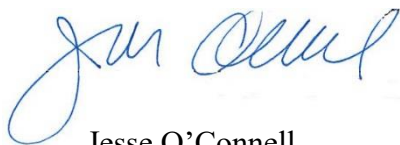
In the coming months, BFAAC will focus its work on the following additional areas: (1) the budget's readiness to support affordable housing goals and exploring opportunities to maximize

resources for affordable housing; (2) implementation of the Ad-Hoc Joint City-Schools Facility Investment Task Force recommendations; and (3) potential new and future revenue opportunities.

- **Sustainable City Support for Affordable Housing:** BFAAC recognizes the negative impact a strained supply of affordable housing has on the City, including the ability of those who serve and work in our City affording to live here, and consequences on general quality of life for all residents as well as costs to numerous City departments. We applaud the efforts of the City Council, City staff, and numerous other local partners and stakeholders rising to the urgent challenge of this issue. We plan to produce a memo that will assess opportunities in the budget and budget process to support housing goals, as well as ways to maximize resources toward these ends.
- **Ad Hoc Joint City-Schools Facility Investment Task Force:** BFAAC continues to work with the ACPS Budget Advisory Committee (BAC) to monitor implementation of the Task Force recommendations. Representatives of BFAAC and BAC recently met and noted that staff at all levels are adopting both the mechanics and spirit of the Task Force recommendations.¹ This was particularly evident in the FY 2020 budget process, and BFAAC applauds the City Manager and Superintendent for their cooperation and leadership. BFAAC and BAC will issue a joint memo to Council and the School Board shortly outlining other observations.
- **New Revenue Opportunities:** BFAAC plans to prepare a memo that reflects on the range of possible revenue sources that could result from a changing political climate in Richmond, as well as various other federal, state, non-profit and public-private opportunities.

I would like to personally thank the members of BFAAC for their work on this report. We hope Council will carefully consider our recommendations and we look forward to discussing these and other issues at our upcoming budget work session with Council.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jesse O'Connell", is positioned above the printed name.

Jesse O'Connell
Chair, Budget and Fiscal Affairs Advisory Committee

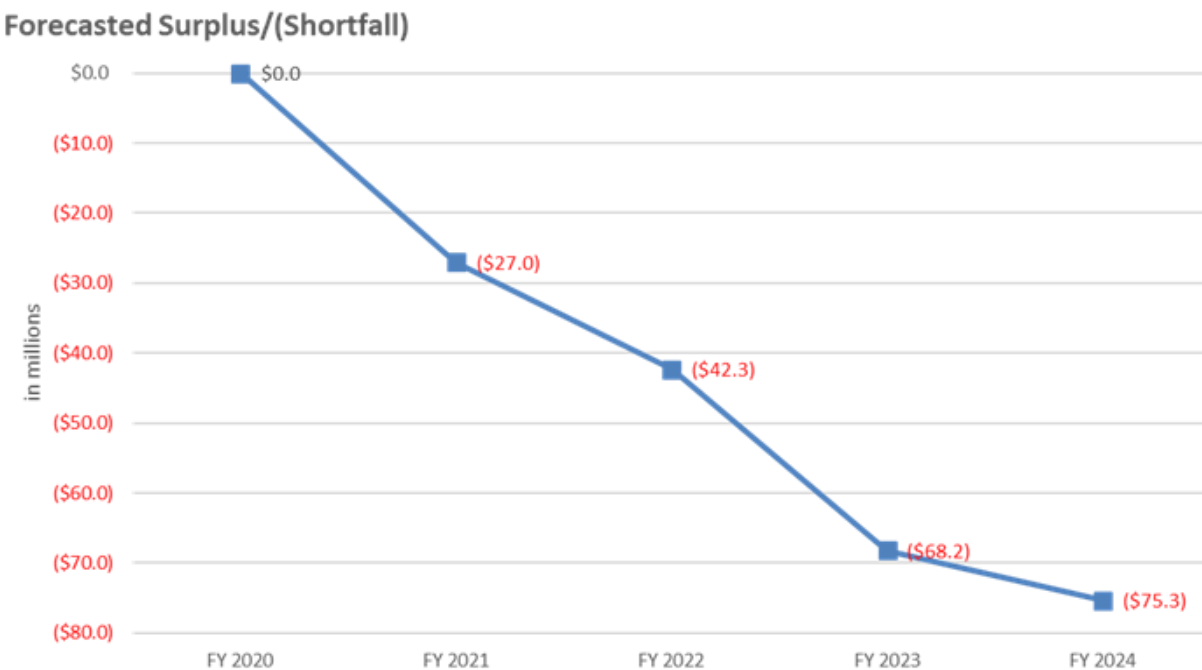
¹ The joint BFAAC-BAC meeting took place on March 14, 2019.

REVENUE RECOMMENDATIONS

Growing Revenue Gap Requires Long-Term Plan

Over the last decade, BFAAC has consistently emphasized the importance of developing a strategy to grow and diversify the City’s revenue base to maintain pace with projected expenses for the City.² Absent a concerted effort to increase revenue, the City Council will be faced with substantial and growing budget gaps over the next five years. BFAAC continues to urge the City Council to develop a long-term revenue plan with actionable strategies and metrics to increase revenue and reduce the threat of annual budget gaps that force the City Council to make annual decisions on taxes and spending to close short-term gaps that may have longer term ramifications.

Figure 1. Projected Budget Gap by Fiscal Year (\$ in Millions)³



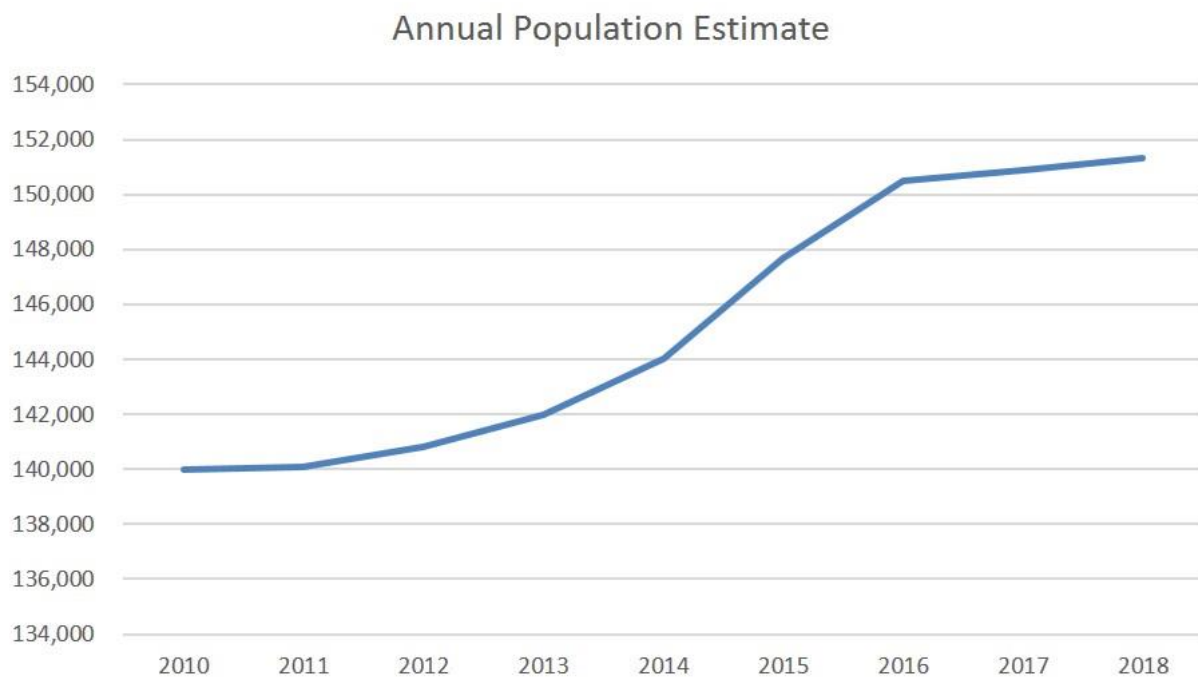
This is not the first year Council was forced to make difficult decisions. Over the last decade, the annual revenue-expenditure gap has consistently put Council in the difficult position of reducing or curtailing a range of City services and actions. Each year when the budget is unveiled a deficit is identified, and work proceeds to eliminate that deficit through a combination of expense

² For example, the FY 2013 BFAAC report recommends: “To diversify our commercial base, Council should set a goal for the types of business the City wishes to attract. A strategic plan should be developed that includes the necessary incentives to attract and retain such businesses.” City of Alexandria Budget and Fiscal Affairs Advisory Committee, “Report on the City Manager’s Proposed Budget for Fiscal Year 2013,” available at <https://www.alexandriava.gov/uploadedFiles/budget/info/budget2013/memos/BM27BFAACFY2013Report.pdf>.

³ City of Alexandria Office of Management and Budget, “Fiscal Year 2020 Proposed Budget,” February 19, 2019, available at <https://www.alexandriava.gov/108135>.

reductions and revenue increases.⁴ Further compounding this challenge, during the same period City population and demand for services has steadily increased while the City’s workforce contracted.⁵

Figure 2: Annual City of Alexandria Population Estimate⁶



Source: City of Alexandria estimates.

The community has grown in population, development, and service needs, and yet the City is now operating with 17 percent fewer staff positions per capita than a decade ago.⁷ Meanwhile, we face growing capital needs—especially transit, aging City infrastructure, public school facilities renewal and capacity expansion as well as competitive employee compensation pressures from the regional labor marketplace.⁸ The pace of population growth has exceeded a largely stagnant or nominal growth of tax revenue. Further, that same population growth has driven an increase in school enrollment which stands at 15,795 in the 2018-2019 academic year, up from 13,124 in FY

⁴ City of Alexandria Office of Management and Budget, “Ten Year Budget History FY 2009-2018,” April 4, 2018, available at [https://www.alexandriava.gov/uploadedFiles/budget/info/budget2019/memos/BMQ%20-%2051%20-%20TEN%20YEAR%20BUDGET%20HISTORY%20\(FY%202009%20-%20FY%202018\)%202.pdf](https://www.alexandriava.gov/uploadedFiles/budget/info/budget2019/memos/BMQ%20-%2051%20-%20TEN%20YEAR%20BUDGET%20HISTORY%20(FY%202009%20-%20FY%202018)%202.pdf).

⁵ Ibid.

⁶ City of Alexandria, Department of Planning and Zoning.

⁷ City of Alexandria Office of Management and Budget, “Ten Year Budget History FY 2009-2018.”

⁸ For example, two-thirds of city facilities had a grade of “C” or lower per a 2018 facility condition assessment. “Overview of 2018 Draft Strategic Facilities Plan,” presentation to the Alexandria City Council Retreat, November 10, 2018, available at [https://www.alexandriava.gov/uploadedFiles/budget/info/budget2020/Retreat%20Presentation%20FY%202020%20\(Final\).pdf](https://www.alexandriava.gov/uploadedFiles/budget/info/budget2020/Retreat%20Presentation%20FY%202020%20(Final).pdf).

2012-13, and including increases in subgroups of students with additional needs.⁹ BFAAC has repeatedly stated that incremental and year-by-year strategies will not address long-term fiscal realities.¹⁰

Table 1: City of Alexandria Selected Economic Indicators

<u>Selected Economic Indicators</u> (from City Dashboard unless denoted below)	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
FY Active Employees	2,551	2,538	2,543	2,552	2,566
Local GDP	\$10.1B	\$11.5B	\$11.0B	\$11.0B	\$11.5B
Jobs	105,009	106,638	104,750	104,409	TBD
Office Vacancy	13.7%	14.3%	15.5%	15.0%	15.3% (est)
Unemployment Rate	3.4%	2.7%	2.9%	2.6%	TBD
Value of Approved New Development	\$368M	\$339M	\$750M	\$210M	\$166M
Population	144,000*	147,650*	150,500*	150,900*	151,300*

* City of Alexandria, Dept of Planning and Zoning

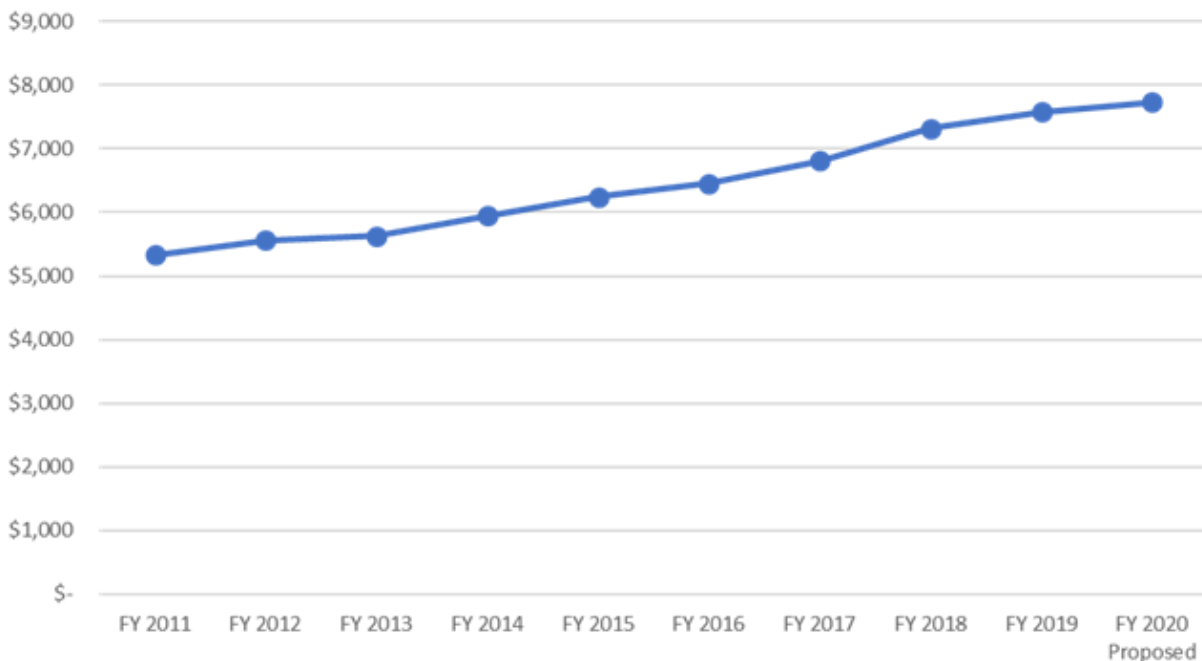
Moreover, a structural budget imbalance remains for the next 5-year period, limiting the opportunity to grow the tax base, expand City services, and promote City Strategic Plan values. These annual budget gaps force Council to cut City services and/or increase taxes and fees, while simultaneously limiting our ability to enhance services as well as our competitive position as an employer. To put the future shortfall into context, assuming no changes in the level of services provided by the City, the funding gap projected for FY 2021 (\$27.0 million) would require raising the real property tax rate by 6.6 cents (+5.9% over the current rate). By FY 2024 this projected gap would rise to \$75.3 million, necessitating an increase of 18.5 cents (+16.3% over the current rate) if fully funded via real property tax proceeds.

⁹ Data provided by Alexandria City Public Schools.

¹⁰ As noted by BFAAC in 2015: “The upcoming budget year demonstrates the City’s continuing need to correct annually for deficits. BFAAC commends the Acting City Manager and Staff for the development of the Five-Year Financial Plan (“the Plan”), which provides needed analysis of policy and operational decisions designed to achieve short-term balanced budget requirements. The Plan will provide Council with a greater ability to make policy decisions understanding true, multi-year lifecycle investments... With this more complete ‘total cost of ownership’ picture, Council will be able to make more informed tradeoffs across investments as well as better gauge the need for additional debt and/or cash capital for specific capital investments.” City of Alexandria Budget and Fiscal Affairs Advisory Committee, “Report of Observations and Recommendations on the City’s FY 2016-2020 Five-Year Financial Plan,” February 13, 2015, available at <https://www.alexandriava.gov/uploadedFiles/budget/info/BFAAC/Report%20on%20Five-Year%20Financial%20Plan%20from%20BFAAC.PDF>.

In 2018, at the request of BFAAC, City staff completed a comprehensive review of the cumulative impact of budget cuts over the last decade.¹¹ The challenge articulated by this report, absent new revenue sources, is clear – the impact of further budget cuts will affect the level of services the City provides and the residential tax and fee burden has already steadily increased in recent years.

Figure 3: Residential Tax and Fee Burden Steadily Increases¹²



Under the Manager’s proposed budget for FY 2020, the annual tax and fee burden will rise by an average of \$152 per homeowner. Nearly the entire increase (\$118 of \$152) is due to rising real estate assessments.

¹¹ City of Alexandria Office of Management and Budget, “Ten Year Budget History FY 2009-2018.”

¹² City of Alexandria Office of Management and Budget, “Fiscal Year 2020 Proposed Budget.”

Table 2: Average Residential Tax and Fee Burden FY 2012-19¹³

	<u>FY</u> <u>2012</u>	<u>FY</u> <u>2013</u>	<u>FY</u> <u>2014</u>	<u>FY</u> <u>2015</u>	<u>FY</u> <u>2016</u>	<u>FY</u> <u>2017</u>	<u>FY</u> <u>2018</u>	<u>FY</u> <u>2019</u>	<u>FY</u> <u>2020</u> Proposed
Real Estate Tax	\$4,523	\$4,571	\$4,815	\$5,115	\$5,318	\$5,593	\$5,989	\$6,154	\$6,272
Personal Property Tax	\$353	\$380	\$457	\$445	\$464	\$505	\$523	\$533	\$534
Trash Removal Fee	\$336	\$336	\$328	\$337	\$337	\$363	\$373	\$373	\$406
Decal Fee	\$57	\$55	\$56	\$55	\$55	\$56	\$58	\$58	\$66
Utility tax on Natural Gas	\$23	\$23	\$25	\$25	\$24	\$24	\$24	\$22	\$25
Utility tax on electricity	\$30	\$30	\$33	\$36	\$35	\$36	\$36	\$33	\$34
Utility tax on water	\$24	\$27	\$26	\$30	\$29	\$29	\$30	\$27	\$25
Communication Sales and Use Tax	\$144	\$143	\$136	\$134	\$129	\$126	\$123	\$119	\$111
Sanitary Sewer System Capital Investment & Maintenance Fee	\$68	\$68	\$68	\$68	\$68	\$76	\$98	\$123	\$123
Storm Water Utility Fee							\$70	\$140	\$140
Total	\$5,558	\$5,632	\$5,944	\$6,245	\$6,458	\$6,807	\$7,324	\$7,583	\$7,735

As the Council considers future tax and fee increases, BFAAC encourages Council to be mindful of the rising residential tax and fee burden and continues to urge Council to seek to diversify the City's revenue by increasing commercial development.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC encourages Council to develop a long-term revenue plan with concrete goals and strategies to grow the City's revenue base.**
- **BFAAC encourages Council and OMB staff to look for avenues to increase transparency into and citizens' awareness of Alexandria's longer-term fiscal challenges along with potential actions and tradeoffs needed to close these gaps.**
- **BFAAC would welcome the opportunity to have a focused discussion with Council and staff to identify strategies to address future budget deficits through projected revenue planning and other mechanisms that look beyond the current fiscal year.**

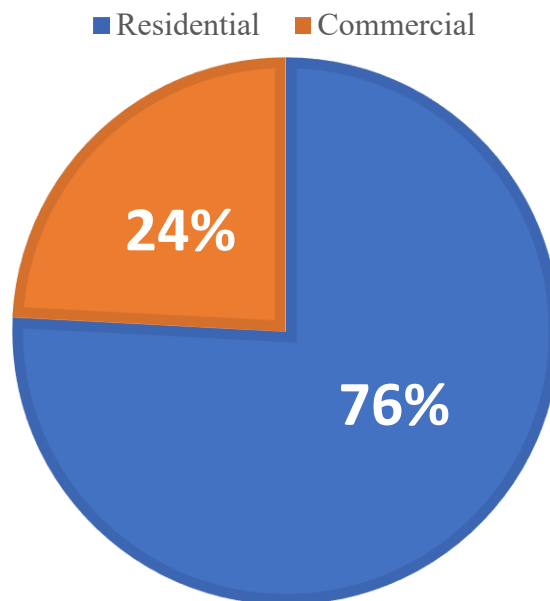
¹³ Ibid.

Maximizing Commercial Economic Development

In CY 2019, it is projected that less than 25 percent of the City’s property tax receipts will come from the commercial sector.¹⁴ Commercial receipts have remained flat since 2016. Without a renewed focus on commercial development, the City will be forced to cut services or continue to increase the residential tax burden.

Figure 4: Real Property Tax by Type

CY 2019 (Multi-Family Considered Residential)¹⁵



In addition to being heavily dependent on the residential real estate tax, BFAAC remains concerned about how closely the city’s economy is connected to the federal government. In our FY 2019 memo¹⁶, BFAAC said the following:

The traditional approaches to generating revenue should be reexamined for relevancy in light of the “new normal” economy that has emerged over the past 10 years. While the Washington Region is rebounding from the 2007 economic downturn, which was exacerbated by Sequestration, our 2.1 percent current estimated GRP growth is below the national GDP growth rate of 2.3 percent. A sharp reduction in government spending in the region in recent years impacted Alexandria, as well. In 2008, Department of Defense procurement spending

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ City of Alexandria Budget and Fiscal Affairs Advisory Committee, “Report on the City Manager’s Proposed Budget for Fiscal Year 2019,” April 18, 2019, available at <https://www.alexandriava.gov/budget/info/default.aspx?id=103872>.

accounted for 52.0 percent of federal procurement spending in the Washington region. By 2016, it had decreased to 38.7 percent. Consequently, the growth in local revenue among Virginia jurisdictions has fallen from as high as 8 percent in FY 2007, to an average rate hovering around 1.5 percent in FY 2018. Even if federal spending in the region recovers, BFAAC remains concerned about relying on federal spending to grow our economy and tax base.

While we remain unwavering in our opinion of the need to have a diverse revenue base and continually seek to diminish the singular impact that the federal government has on our City budget, a notable change has occurred in one year's time: the arrival of Amazon HQ2 in Northern Virginia as well as the announcement of the Virginia Tech Innovation Campus in Alexandria's Oakville Triangle area.

In that light, it is more important than ever to ensure a thriving commercial market sector so as to attract and retain businesses of all sorts, but especially those providing complimentary functions and services in sectors related to both Amazon and Virginia Tech. BFAAC observes that the Alexandria Economic Development Partnership (AEDP)—as a result of leading the recruitment of Virginia Tech to Alexandria and participating in the regional recruitment of Amazon—has significant insight and research in this regard. With additional support and cooperation and a mandate to lead and coordinate efforts among such entities as the Chamber of Commerce and local business associations, AEDP will remain an indispensable resource in providing Council with data-based strategies and policy recommendations to grow commercial development.

Complementing the efforts of AEDP, the City should carefully review and develop long-term land-use policies that can optimize our diminishing developable resources and make the commercial entitlement and permitting process faster and more predictable.

BFAAC also encourages Council to consider how the full spectrum of resources under City control are being leveraged—not only in terms of attracting commerce and generating revenue but asking the question about highest and best use of any particular asset, regardless of past precedent.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC encourages Council to continue to leverage Alexandria's appeal to maximize economic development, while fully engaging the business community in delivering the capabilities visitors and residents require.**
- **BFAAC encourages Council to maximize City assets, including capital, land and expertise, continually evaluating return on investment and opportunity cost of each asset.**
- **BFAAC urges Council to provide AEDP with the resources to accomplish its mission; accelerate its research and analysis of desirability factors for attracting and retaining businesses; and implement policies to reverse the decline in the commercial contribution to the tax base.**

BUDGET PROCESS AND POLICY RECOMMENDATIONS

Budget Consideration Timeline

Last year BFAAC recommended Council re-examine the budget process and timeline.¹⁷ BFAAC expressed concern that the current timeline is too short and does not allow Council to fully consider the operating budget, which represents annual needs, and the capital improvement program (CIP), which represents long-term needs. BFAAC encouraged Council to decouple this process to allow for adequate consideration of short- and long-term needs.¹⁸

BFAAC applauds the City Manager and Council for considering a new approach. Unfortunately, the budget timeline does not allow the City to fully decouple consideration of the operations budget from the CIP. Moving either the operations or CIP to the fall would not align with the school budget timeline. Instead of formally decoupling the operations and CIP budgets, the Manager proposed holding a series of work sessions in the fall on the CIP.¹⁹ This will allow the Council to dedicate more time to the City's long-term needs while maintaining a budget timeline that is coordinated with the schools.

Additionally, the annual budget timeline and its necessary focus on incremental action can often be an insufficient vehicle for considering and confronting long-term challenges; those that even fall outside the existing five-year financial planning window. It will be necessary at times to contemplate long-term policy options and their associated tradeoffs for Council consideration. Consideration of how long-range planning exercises can influence the regular budget process—and in conjunction with the adoption of a longer-term revenue plan as explained earlier within this memorandum—will ensure that critical information and options for action are made available to Council and the public to sharpen our focus on the future and drive towards thoughtful action.

BFAAC believes that it is also important to consider how the City's budgetary process looks from the perspective of residents who are not involved with the process and consider ways to communicate with them regarding the scope of the City's challenges.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC applauds the City Manager for taking steps to ensure Council has more time to consider the CIP budget.**
- **BFAAC recommends Council and OMB staff develop a process within the Council's annual calendar to consider information on the City's projected longer-term fiscal condition and the impacts of policy options.**

¹⁷ City of Alexandria Budget and Fiscal Affairs Advisory Committee, "Report on the City Manager's Proposed Budget for Fiscal Year 2019."

¹⁸ Ibid.

¹⁹ City of Alexandria Office of Management and Budget, "Fiscal Year 2020 Proposed Budget."

Priority Based Budgeting Process

BFAAC was encouraged by the results of the priority based budgeting process deployed since FY 2019.²⁰ Allowing City departments to articulate their highest areas of critical function, as well as need, and then socializing those results across a variety of staff stakeholders brings nuance and reflection to a difficult process, while still retaining important elements of departmental choice and autonomy. BFAAC observes that given the existing survey of City residents on their services priorities²¹, this information could also be leveraged during this priority based budgeting process, to reflect an additional stakeholder perspective.

To be sure, the need for this exercise is a result of the revenue gaps detailed in an earlier section of this report. While priority based budgeting is a superior approach to managing a budget shortfall compared to broad, organization-wide cuts, this selection of reductions based on priority, cost and impact is still an exercise in reductions.

OMB previously developed a thorough report titled “Ten Year Budget History FY 2009-2018,” demonstrating that a number of City departments have experienced steady funding declines, resulting in services cuts.²² Per capita expenditures from FY 2009-2018 have been reduced for the following service areas: Accountability, Effective and Well Managed Government (-16.6%); Healthy and Thriving Residents (-23.6%); Living, Green and Prospering City (-9.5%); and Safe, Secure, and Just community (-0.8%).

Some of the reductions are attributed to transfers between various accounts, but the aggregate impact of these reductions remains striking. It is clear that an ongoing need to use expenditure reductions to balance the budget has negatively affected delivery of some services.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC commends the City for the successful execution of the priority based budgeting process.**
- **BFAAC suggests the Council adapt and reconsider the resident survey process so that future priority based budgeting efforts are not just internally-driven processes, but also account for the services and the level of services that meet the City residents’ expectations.**
- **BFAAC encourages Council to use the Ten Year Budget History report, which shows the aggregate impact of budget reductions, to be mindful of the previous cuts and impacts on City services.**

²⁰ City of Alexandria Office of Management and Budget, “Fiscal Year 2020 Proposed Budget.”

²¹ National Research Center, “The 2018 National Citizen Survey™ Community Livability Report: Alexandria, VA,” April 24, 2018, available at <https://www.alexandriava.gov/uploadedFiles/performance/Community%20Livability%20Report.pdf>.

²² City of Alexandria Office of Management and Budget, “Ten Year Budget History FY 2009-2018.”

Revenue Set Asides

BFAAC has historically opposed the use of budgetary set-asides.²³ Set-asides restrict flexibility and discretion in determining annual budgets. This may ultimately lead to particular programs and services receiving regular funding levels that are lower or higher than optimal relative to setting levels annually. At a minimum BFAAC suggests that Council should establish that all budget set-asides have a sunset, to enable Council to regularly deliberate the merits of each one. BFAAC is concerned—particularly in this budget climate outlined in the opening section of this report regarding the growing revenue gap—that any automatic designations of revenue outside the general fund and CIP budget processes runs counter to the transparency and flexibility Council is seeking to achieve.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC urges Council to sunset set-asides or automatic designations of revenue, except when used to fund state or federal matching fund requirements. Every dollar in the budget should be prioritized based on common criteria.**

School Capital and Debt Service Tax Rate

In the proposed budget, the Manager highlighted a new tool available to the City—one not yet used by any other jurisdiction in Virginia—to increase transparency and potentially raise additional money for school CIP and debt service.²⁴ As the City Manager notes, a separate school capital and debt service tax rate for ACPS capital expenditures would provide greater transparency into its capital needs as a share of the City budget and would better inform residents of the respective long-term challenges that ACPS and the City each face. While Virginia localities' school boards do not have independent budget or taxing authority, this change would also shift greater public responsibility and accountability to the School Board with regard to its capital budget.

BFAAC met with the City Manager to discuss the proposed school capital and debt service tax rate, which is still in its early stages of consideration. According to the City Manager, if adopted, the schools would submit a proposed rate with its annual CIP budget submission.²⁵ Council would ultimately set and notice the rate and residents would see two separate rates on their biannual real estate tax bills.

BFAAC supports efforts to provide residents with more transparency about how their tax dollars are allocated. While adding the separate school capital and debt service rate for school construction on the tax bills would provide residents with more information, BFAAC notes there are alternative approaches that may be better suited to provide transparency about how tax dollars are allocated. The City currently maintains an online calculator tool that allows residents to see how their tax bill is allocated across City services.²⁶ BFAAC encourages Council to examine the feasibility of including information with the tax bill that shows how the dollars are allocated, essentially

²³ For example, City of Alexandria Budget and Fiscal Affairs Advisory Committee, “Report on the City Manager’s Proposed Budget for Fiscal Year 2019.”

²⁴ City of Alexandria Office of Management and Budget, “Fiscal Year 2020 Proposed Budget.”

²⁵ Per discussion between the City Manager and BFAAC at its meeting on March 19, 2019.

²⁶ City of Alexandria Office of Management and Budget, “Real Estate Tax Receipt Calculator,” available at <https://www.alexandriava.gov/budget/info/budgetcalc/default.aspx?id=84833>.

providing residents with the results that would otherwise be available online using the real estate tax receipt calculator.

BFAAC commends the City Manager for looking at creative approaches to increase transparency and funding to meet ongoing school CIP needs. In terms of whether this separate tax rate is the right tool to fund the ACPS CIP, BFAAC recommends further analysis to determine the viability of this strategy.

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC encourages Council to examine the feasibility of including information with the tax bill that shows how the dollars are allocated, essentially providing residents with the results that would otherwise be available online using the real estate tax receipt calculator.**
- **BFAAC commends the City Manager for looking at creative approaches to increase transparency and funding to meet ongoing school CIP needs. BFAAC recommends further analysis before the separate school capital and debt service tax rate is formally proposed or adopted.**

Improved Coordination with ACPS

BFAAC observes that the Joint City/Schools Task Force report was both broad-reaching and very direct in its recommendations, including its warning that leadership not allow the momentum of the process and positive reception of the recommendations to fade over time.²⁷ It was encouraging then to see that progress as already been made regarding establishing processes that will support the cooperation required to implement the report's recommendations.

Among the progress made this past year that BFAAC feels is important to highlight: cooperation and respect between the City Manager and Superintendent have set a tone for trust among both staffs; key staff from both the City and ACPS have been working together to identify areas for collaboration as well as prioritizing deliverables, with an eye on proactively planning for the City's future; and a Request for Proposal has been issued to study the feasibility of a combined maintenance and management system (CMMS).²⁸

OBSERVATIONS AND RECOMMENDATIONS

- **BFAAC applauds Council and ACPS for more closely coordinating their respective budgets for FY 2020.**
- **BFAAC encourages Council to ensure any changes to the budget timeline, including decoupling consideration of the operating and CIP budgets, is closely coordinated with ACPS.**

²⁷ City of Alexandria Joint City-Schools Facility Investment Task Force, "Task Force Final Report," January 26, 2018, available at <https://www.alexandriava.gov/uploadedFiles/planning/info/JointTaskForceFinalReportTextOnly01252018.pdf>.

²⁸ The Joint BFAAC-BAC meeting took place on March 14, 2019.

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 7, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE (BFAAC)

SUBJECT: MEMO #1 - BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE
FISCAL YEAR 2020 WORK PLAN

Again this year, BFAAC plans to provide Council with memos throughout the year rather than delivering one comprehensive report in the spring. Last year, in addition to a work plan and budget guidance, BFAAC delivered two memos jointly with the School Board's Budget Advisory Committee (BAC) commenting on the recommendations of the Ad Hoc Joint City Schools Facilities Investment Task Force, which primarily addressed budget process, broad City planning and facilities maximization. BFAAC also provided memos addressing the ten-year cumulative impact of budget cuts on core City services, and recommendations related to the City Manager's proposed FY 2019 budget. The latter memo also included a recommendation to plan for long term revenue needs.

Recognizing a new Council will be seated in January, BFAAC proposes the following preliminary work schedule for 2020, largely continuing work already in progress. We also invite requests from Council during the course of the year to address other topics of concern.

RECOMMENDATIONS FOR THE FY 2020 BUDGET GUIDANCE (November 2018) – BFAAC's first memo will provide recommendations for Council to consider as it develops FY 2020 budget guidance. The memo, along with this one, will be the foundation for BFAAC's briefing to Council at its November 10 retreat.

SUSTAINABLE CITY SUPPORT FOR AFFORDABLE HOUSING (Q1 2019) – BFAAC recognizes the negative impact of a dwindling supply of affordable housing on quality of life for residents, economic development, and our ability to house providers of key City services within Alexandria, and applauds the efforts of Council, City staff and local partners to address this need. BFAAC will issue a report assessing the budget's readiness to support affordable housing goals and exploring opportunities to maximize resources for affordable housing including creative or alternative approaches to financing.

RECOMMENDATIONS OF THE JOINT TASK FORCE (Q1 2019) – BFAAC plans to work with the School Board’s BAC to monitor the implementation of the Joint Task Force recommendations.

RECOMMENDATIONS AND OBSERVATIONS RELATED TO THE CITY MANAGER’S PROPOSED FY 2020 BUDGET (April 2019) – BFAAC will provide Council a memo with recommendations regarding major issues facing the City in FY 2020. The memo will follow up on revenue and process recommendations made in BFAAC’s FY 2019 Budget memo. BFAAC continues to recommend the creation of a Revenue Master Plan and identifying actionable strategies to grow the City’s revenue base with a focus on increasing the commercial contribution to the tax base. In this memo BFAAC also intends to address employee compensation (both general schedule and public safety), and the costs of recruiting and maintaining staff.

ADDITIONAL MEMOS TBD – BFAAC will be available to support Council throughout the year as matters may arise, welcoming requests from Council on matters where guidance can be helpful.

BFAAC appreciates Council’s support of its work and will endeavor to continue to provide the best recommendations possible on the budget and fiscal affairs of the City of Alexandria.

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 7, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE (BFAAC)

SUBJECT: MEMO #2: RECOMMENDATIONS FOR THE FY 2020 BUDGET GUIDANCE

As Council develops its budget guidance for FY 2020, BFAAC encourages Council to:

- **Focus on Policy Outcomes** – BFAAC reiterates its previous recommendation that guidance focus on achieving policy outcomes, rather than giving the City Manager specific instructions. BFAAC recommends Council avoid giving specific instructions in areas such as: employee compensation, school division transfers, tax rates, number of full-time equivalents in specific departments, etc. and allow the City Manager to present Council a variety of options to meet strategic objectives identified in its guidance.
- **Implement the Ad Hoc Joint City Schools Facilities Investment Task Force** – BFAAC encourages Council to use the guidance to reiterate its support for implementing the Task Force recommendations.
- **Set a Five-Year Revenue Target** – BFAAC encourages Council to set a five-year revenue goal and direct staff to develop an actionable plan with strategies to grow and diversify the City's revenue base.
- **Examine the Budget Timeline** – BFAAC encourages Council, as part of this guidance, to ask staff to develop a process, starting with FY 2021, to separate the consideration of the CIP, which represents long-term needs, from the operating budget, which represents annual needs. Likely this would involve Council setting the CIP budget in the fall, and the operating budget in the spring. BFAAC recognizes that City and ACPS budget staffs have begun exploring this change, which also was recommended in the Joint Task Force report, and encourages both to make necessary process adjustments to implement the separation beginning in FY 2021.
- **Consider Regional Uncertainty** - BFAAC encourages staff, to the best of its ability, to address safeguards for uncertainty in our region including federal funding and employment; and Metro service and support, which make Alexandria vulnerable to both expense and revenue shifts outside our control.

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 5, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE (BFAAC)

SUBJECT: MEMO #4: STATUS UPDATE ON BFAAC'S EXAMINATION OF CITY AFFORDABLE HOUSING FINANCE CHALLENGES

In this year's work plan, BFAAC acknowledged the negative impact of a dwindling supply of affordable housing on quality of life for residents, economic development, and our ability to house providers of key City services within Alexandria. The work plan also noted an upcoming report assessing the budget's readiness to support affordable housing goals and exploring opportunities to maximize resources for affordable housing including creative or alternative approaches to housing.

While this report remains under development, it will be provided to Council following this year's budget cycle, instead of during the first quarter of 2019 as anticipated. To the extent that particular findings relevant to the report are available more quickly, these additional materials will be communicated to the City Council in a timely manner.

As part of this effort, we are in the process of contacting a number of city experts and stakeholders to obtain their input. The following general questions are guiding this work:

1. Does the city's housing affordability challenge impose costs on the people you serve and consequently, on your agency or program (e.g. students, clients, residents)? Have you attempted to quantify these costs in some way?
2. Does the city's housing affordability challenge affect your ability to recruit or retain qualified staff for your agency or program?
3. What are areas that [your jurisdiction/your program] does well to address housing affordability? In what areas do you see room for improvement?
4. What approaches that other jurisdictions are pursuing would be potentially valuable for Alexandria? What are the roadblocks for implementing these approaches?
5. What additional research by the city or other entities would be helpful to better target housing affordability needs and strategies?

These consultations include multiple city agencies, city boards and commissions, and regional entities such as the Metropolitan Washington Council of Governments. We anticipate providing a report by the end of 2019.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 9, 2019

Question:

Please provide any budget comments and feedback submitted online. (Routt, Director of Management & Budget)

Response:

The following items were received as of April 8, 2019. They followed the release of an Alexandria eNews Resource Recovery Announcement that included an invitation to comment on the proposed change to replace the April/May weekend Spring Cleanup with ongoing bulk trash pickup throughout the year.

Comment #12

Regarding Changes to the Spring Refuse Clean Up: Oftentimes most of the things I put out on the curb are gone the day before the Spring Clean up collection. I've talked with some of the people and some make their living going to different locals on pick-up days and re-selling items (including scrap metals). This is probably a more effective form of recycling (and re-use) than the city can provide and reduces the expense for the city, too. My suggestion is to add a Fall Clean up date, since for re-cyclers such as ourselves, holding things for a full year can be somewhat of a burden.

Comment #13

Keep spring cleanup. Some items we put out on spring clean up get picked up by others rather than going into the trash. If these items can go out weekly I suspect there will be more to dispose.

Comment #14

I would like the city to continue with the Big Garbage day pickups. From my observations, a good portion of what people put to the curb are picked up other people before the city trucks come around. This is a very efficient way to recycle. Also, it lightens the load during regular trash days.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 12, 2019

Question: What is the breakdown of revenues and expenditures for the City Marina? (Mayor Wilson)

Response: The table below highlights the revenues and expenditures associated with the City Marina.

Revenues

The annual licenses include fees collected for the docking of 54 pleasure boats and a \$15,000 Docking fee for the Tall Ship Providence. The FY 2020 proposed budget includes a fee increase of \$1 per foot in the annual license fee. The fee would increase from \$11/ft./month to \$12/ft./month for City residents and from \$13/ft./month to \$14/ft./month for nonresident license holders. The Marina fees represent the annual license fees for commercial boats operating from the City Marina and transient commercial docking. The FY 2020 proposed budget includes an annual rate increase for the Commercial Marina License consistent with the license agreement and an annual rate increase for the Outdoor Dining area consistent with the license agreement. The short-term fees are for transient pleasure boats include short-term docking (up to four hours) and overnight docking throughout the boating season. Marina services are in tier 5 of the resource allocation and cost recovery model policy adopted by Council in 2013. The cost recovery percentage for tier 5 is targeted at a minimum 175% of direct cost.

Expenditures

The City Marina is open seven days per week annually with two permanent FTEs (Dockmaster and Assistant Dockmaster) assigned to the Marina who are responsible for managing the day-to-day operations such as safety inspections, docking assistance, fee collection, trash receptacle emptying, floating debris removal and monitoring and cleaning of public restrooms and boater restrooms and showers. There are also seasonal Dock Assistants who support professional staff in day-to-day operations. Fees for Professional Services largely includes funding for credit card transaction fees, maintenance, landscaping and security camera maintenance. Operating Supplies and Materials includes plumbing and electrical maintenance, custodial services, health and safety equipment, landscaping including hanging baskets, painting and signage. The City Marina receives approximately 200,000 visitors annually through commercial operations.

Category	FY 2020 Proposed Budget Amount
Annual Leases (pleasure boats)	(276,211)
Marina Fees	(161,406)
Short term fees (transient boats)	(7,500)
Total Revenues	(445,117)
Personnel	284,355
Fees for Professional Services	26,121
Operating Supplies & Materials	33,250
Utilities	20,400
Total Expenditures¹	364,126
Net Cost General Fund	(80,991)

In addition to the annual operating costs, there is \$75,000 budgeted in the City Marina Maintenance Project in the CIP for FY 2020 addressing recommendations in the 2013 City Marina Maintenance Assessment. Also, in the CIP, the City has invested to date \$1.25M in the City Marina Utilities Upgrade project, \$1.8M for dredging, and \$20,000 for Structural & Mooring Analysis for the temporary docking of the Tall Ship Providence.


¹ When compared to the PBB 2019 costs listed in the FY 2020 Proposed Budget, the total expenditures in the table above do not reflect a portion of several administrative positions within the department.

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 12, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: BUDGET MEMO #70: SUMMARY OF FY 2020 GENERAL FUND BUDGET ADD/DELETE PROPOSALS

This memorandum summarizes the FY 2020 budget add/delete items eligible for consideration at the Preliminary Add/Delete work session on Tuesday, April 23, 2019 at 6:00 p.m. in City Council Chamber. On Saturday, April 13, beginning at 9:30 a.m., City Council will hold a public hearing on the add/delete proposals summarized in this memorandum. If any member of the public is unable to attend the public hearing, comments may be submitted online through April 28, 2019. City Council's eligible add/delete proposals are provided in Attachment 1.

In accordance with Resolution 2858 (adopted on December 11, 2018) on setting guidance for the FY 2020 budget process, a combined list of all City Council budget proposals, technical adjustments from OMB, and City Manager recommended changes is to be provided and discussed at the preliminary add/delete work session. In order to be eligible for consideration, a proposal must:

1. Contain information related to how the change advances the Council's goals/priorities;
2. Contain information related to how the change impacts the performance of that program, service, or goal;
3. Have received the support of at least three of seven Council members (the original sponsor and two co-sponsors); and
4. Be accompanied by an add/delete spreadsheet prepared by the Council member or OMB in which the sum of the individual Council members' adds and deletes, including the items originally sponsored by that member and those co-sponsored by that member, are in balance or produce a revenue surplus.

The following pages provide a summary of the items eligible for consideration at the preliminary add/delete work session. The language descriptions generally reflect City Council member language.

ACPS Additional Funding: +\$100,000 ([Budget Work Session #3](#))

This addition goes toward the city's effort to fully fund ACPS budget. This proposal increases the ACPS FY 2020 operating transfer by \$100,000 and the increase is taken from Contingent Reserves.

ACPS Textbook Transfer to Capital: \$0 ([Budget Question #50](#))

This proposal decreases the ACPS FY 2020 operating transfer by \$708,750, the amount allocated for year one of a seven-year plan for textbook replacement. This decrease is offset by an increase in the ACPS FY 2020 Capital Improvement Program (CIP) to allow no change to the total ACPS budget. Moving this funding from the operating budget to the CIP will create more stability and certainty with the replacement of school textbooks.

C-PACE Year One Startup Cost Contingency: +\$125,000 ([Budget Question #63](#))

This operating allocation will create a new contingent reserve dedication to fund the startup costs to create Alexandria's Commercial Property Assessed Clean Energy Program (C-PACE), as proposed in the City Manager's Alternative Option List. These funds allow the creation of a program that will leverage private investment and private financing to support clean energy investments in commercial buildings throughout the City. Once staff has prepared a plan for implementation of C-PACE, staff will docket a request for appropriation of some or all of the funds. The approved City Council budget guidance included reference to implementation of the Strategic Plan and approved City plans and programs. Environmental sustainability is core to the City's Strategic Plan and the inspiration for the City's approved Environmental Action Plan.

Early Childhood Capacity Expansion: +\$200,000 ([Budget Question #18](#))

This operating addition of \$200,000 to the FY 2020 budget will provide resources to reduce wait times to access services in the early childhood programs available within the City. Staff are directed to return to City Council with a recommendation to assign these funds to existing early childhood programs with a priority to those investments that leverage available, external resources. These funds can be used to provide a match for state/federal early childhood resources. The approved City Council budget guidance and related strategic plan support efforts to narrow the achievement gap, including expansions in early childhood education.

Environmental Action Plan (EAP) Public Outreach: +\$20,000 ([Budget Work Session #5](#), [Budget Question #66](#))

This proposal funds \$20,000 for an EAP recommended expansion of education and outreach to further engage citizens in best practices/behavioral changes that would promote better air quality; more efficient use of energy; climate change stabilization; support for green buildings, environmental land use policies and open space; and awareness of water quality programs. It also supports the City Strategic Plan goals for Environmental Sustainability.

Additional Equity Staff: +\$60,000 ([Budget Question #33](#))

This addition will improve the internal & external equity work that the City will be undertaking, and the additional staff will allow for the coverage of a wider range of equity issues, to include racial, sexuality, and gender issues. This addition supports the City government's focus on equity

and inclusiveness. Funding for this position would will be held in Contingent Reserves and the position would start after December 2019.

Family Unit Due Process Universal Representation Access Program: +\$150,000

(Budget Question #7)

This add/delete proposal would support preserving the family unit in the City and aligns with Council's inclusivity statement. This program will foster community integration, which will benefit our residents by promoting the family unit and will add contribution to the economy. It will reduce the negative impact of the child and family separation policies. The City can apply for grants that may match the City's contribution. This proposal is funded as a designation of \$150,000 from Contingent Reserves.

Fire Staffing 2019 SAFER Grant (Local Obligation): +\$200,000 (Budget Work Session #7)

This proposal utilizes \$200,000 of Contingent Reserves to pay for the year one local grant match obligation for the 2019 Staffing for Adequate Fire & Emergency Response (SAFER) Grant. On March 12, 2019, City Council approved the submission of the 2019 SAFER Grant application. This grant, if awarded, will fund nine new firefighter positions which will allow for the completion of four-person staffing on the three remaining fire engines. The SAFER grant pays for 75% of the positions in the first year, 75% in the second year, and 35% in the third year. This equates to a \$1.5 million three-year grant. The City is responsible for 25% or \$0.2 million for each of the first two years. For the following two years, the City's estimated costs increase to 65% or \$0.6 million in the third year and 100% or \$0.9 million by the fourth year.

Inova Alexandria Hospital Uncompensated Care Assessment: \$0

(Budget Question #19)

This operating deletion removes 50% of the proposed appropriation for Inova Alexandria Hospital (\$490,075) under the current Memorandum of Agreement addressing uncompensated care. The proceeds of this deletion will be transferred to Contingent Reserves to allow City staff to perform a full assessment of the impact of the recent expansion of Medicaid eligibility (covering the second half of FY 2019) on the uncompensated care expenditures addressed by the Memorandum. The City Manager shall return to Council when that analysis has been complete with a recommendation for disposition of the remaining funds. The approved City Council budget guidance directs the staff and Council to focus resources on the core services of government and ensure efficient expenditure of taxpayer resources.

King Street Corridor Tree Lighting: +\$34,800 (Budget Question #41)

This add/delete proposal allocates \$34,800 of Contingent Reserves to extend the King Street Corridor tree lighting season for six additional months, from five months to eleven months per year. This initiative would further support the City's Distinct and Vibrant Neighborhoods and Strong Economy Strategic Plan goals.

Sheriff Department Pay and Benefits Contingency: +\$330,000 (Budget Question #47)

This operating budget addition will add \$330,000 to the City Manager's proposed \$720,000 contingent designed to fund VRS modifications for existing and future Sheriff's Department personnel.

The new \$1.05M contingent reserve dedication would be to implement compensation and benefits improvements impacting personnel in the Sheriff's Department with an effective date of 10/1/2019. Once recommendations have been reviewed by the Public Safety Work Group (PSWG), this allocation will be brought to Council for release. The approved City Council budget guidance included direction to protect core services and ensure realization of the City's approved Strategic Plan. Protection of the City's public safety is a core service of government and is central to the City's approved Strategic Plan. This initiative brings Sheriff's Department compensation and benefits more in alignment with comparators.

SNAP Outreach and Double-up SNAP Dollar Program Expansion: +\$86,260

(Budget Question #56)

The Old Town Farmers' Market and the Four Mile Run Market are the only farmers' markets in the City that accept SNAP benefits. Both of those markets also have a program that allows SNAP recipients to double their dollars at the market. This proposed add allows staff to develop a program to: expand both of these features to additional markets in the City, including the West End Farmers' Market; provide support for existing markets; and increase outreach to build awareness of the program at all locations.

The current 0.4 FTE within DCHS that oversees this program does not allow enough time to appropriately manage all grant responsibilities and outreach. This add would also create additional capacity to promote and increase participation in the SNAP program. The Alexandria Childhood Obesity Action Network report on hunger found that many Alexandrians eligible for SNAP are not using it. As a result, Alexandria is leaving on the table thousands of federal dollars in food-related benefits for low-income households each year. Each eligible household that does not apply for SNAP presents a serious loss to these households and the economy.

This add would allow the City to leverage additional dollars from its existing Food Insecurity Nutrition Incentive (FINI) grant. It would also increase the amount of federal dollars in food-related benefits for eligible Alexandria residents. The approved City Council budget guidance and related Strategic Plan support efforts to ensure that Alexandria is a caring and equitable city that supports thriving children and youth; healthy residents; and provides high-quality social services to eligible residents.

Vehicle Registration Fee Repeal and Vehicle Personal Property Tax Rate Increase:

\$0 (Budget Question #14)

On March 16, 2019, City Council approved the elimination of the vehicle decal fee however the FY 2020 budget includes a \$33 local vehicle registration fee. This add/delete repeals the local vehicle registration fee and thereby reduces the FY 2020 General Fund budget by \$3.85 million. To make up for this revenue loss, this proposal also increases the Vehicle Personal Property Tax rate from \$5.00 to \$5.33, generating the \$3.85 million, making this a net zero impact proposal.

WasteSmart Implementation: +\$102,846 (Budget Question #13)

This operating allocation will create a new Contingent Reserve dedication to fund WasteSmart implementation as contemplated in the City Manager's Alternative Options list. This proposal is funded through an increase of the annual Residential Refuse Fee to \$411. Staff shall return to Council with a plan to allocate these funds to WasteSmart programs, including the new glass drop-off program and other efforts designed to achieve the vision of the approved WasteSmart Strategic

Plan. The approved City Council budget guidance included reference to implementation of the Strategic Plan and approved City plans and programs. Environmental sustainability is core to the City's Strategic Plan and the inspiration for the City's approved Environmental Action Plan and the WasteSmart Strategic Plan.

Zoning Inspector Position to Contingency: \$0 ([Budget Work Session #4](#))

This operating budget modification removes the appropriation for the proposed Zoning Inspector for enhanced commercial corridor enforcement. The funds for this position are proposed to be placed in Contingent Reserves (\$83,595) pending a comprehensive review and report to Council on night/weekend staffing, policies and coordination between the Police Department, Planning Department, Code Administration, Transportation & Environmental Services, Health Department and other impacted departments. The approved City Council guidance urged the funding of efforts that promote and support economic growth and development.

ATTACHMENTS:

Attachment 1 – City Council Add/Delete Proposals

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

4/11/2019

CITY COUNCIL SPONSOR:

John Chapman

CO-SPONSOR:

- | | | |
|----------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
\$100,000 additional funding to ACPS	This additional funding will help ACPS to funding its budget.				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	100,000	100,000	100,000	100,000	100,000
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	This addition goes toward the city's effort to fully fund ACPS budget				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	No				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Funds to be released from contingent reserves		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

04/06/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldin |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|---------------------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input checked="" type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|---------------------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☒ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
ACPS Textbook Capital Transfer (Budget Memo 50)	<p>This capital budget add will reallocate current FY 2020 operating transfer to the ACPS FY 2020 Capital Improvement Program.</p> <p>The proposed transfer amount of \$708,750 will cover the proposed FY 2020 textbook replacement initiative.</p> <p>In preparation for the FY 2021 budget process, the respective staff teams should prepare a capital funding plan for textbook replacements to be a component of the upcoming Capital Improvement Program submission.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	(708,750)	(1,089,885)	(929,940)	(985,550)	(1,071,420)
CAPITAL EXPENDITURE/(SAVINGS)	708,750	1,089,885	929,940	985,550	1,071,420
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	<p>The approved City Council budget guidance included direction to protect core services and ensure realization of the City's approved Strategic Plan.</p> <p>This important element of educational infrastructure supports academic achievement.</p>				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	N/A				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Reduction in proposed ACPS Operating Transfer		
If a DELETE, what do you plan to do with the savings?	<input checked="" type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete) Increase in ACPS Capital Improvement Program		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

3/31/2019

CITY COUNCIL SPONSOR:

Pepper

CO-SPONSOR:

- | | | |
|----------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
CPACE-Year 1 Startup Costs	<p>This operating allocation will create a new contingent reserve dedication to fund the startup costs to create Alexandria's Commercial Property Assessed Clean Energy Program (C-PACE), as proposed in the City Manager's Alternative Option List.</p> <p>Once staff has prepared a plan for implementation of C-PACE, staff will docket a request for appropriation of some or all of the funds.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	125000	0	0	0	0
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	<p>The approved City Council budget guidance included reference to implementation of the Strategic Plan and approved City plans and programs. Environmental sustainability is core to the City's Strategic Plan and the inspiration for the City's approved Environmental Action Plan.</p>				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	<p>These funds allow the creation of a program that will leverage private investment and private financing to support clean energy investments in commercial buildings throughout the City.</p>				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Undesignated Contingency Funds		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input checked="" type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

04/10/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Early Childhood Capacity Expansion (Budget Memo 18)	<p>This operating addition will provide resources to assist in reducing waits to access services in the early childhood programs available within the City.</p> <p>The City Manager shall return to Council with a recommendation to assign these funds to existing early childhood programs, with a priority to those investments that leverage available, external resources.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	200,000				
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	The approved City Council budget guidance and related strategic plan support efforts to narrow the achievement gap, including expansions in early childhood education.				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	These local funds can be used to provide a match for state/Federal early childhood resources.				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Undesignated Contingency Funds		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

April 10, 2019

CITY COUNCIL SPONSOR:

Councilwoman Pepper

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input type="checkbox"/> Councilman Aguirre | <input type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- | | |
|-----------------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> ADD | <input type="checkbox"/> DELETE |
|-----------------------------------------|---------------------------------|

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Environmental Action Plan Education and Outreach Implementation	An expansion of education and outreach for the EAP to further engage citizens in best practices/behavioral changes that would promote better air quality; more efficient use of energy; climate change stabilization; support for green buildings, environmental land use policies and open space; and awareness of water quality programs.				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	20,000	20,000	20,000	20,000	20,000
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	This would contribute to the City's strategic goals for Environmental Sustainability				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?					
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Fund from Contingent Reserves		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

4/11/2019

CITY COUNCIL SPONSOR:

John Chapman

CO-SPONSOR:

- | | | |
|----------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------|
| <input type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldin |
| | <input type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- | | |
|-----------------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> ADD | <input type="checkbox"/> DELETE |
|-----------------------------------------|---------------------------------|

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
\$60k for additional Equity Staff (would begin after Dec. 2019, and funds would be held in contingent reserves)	This addition will improve the internal & external equity work that the city will be undertaking, and the additional staff will allow for the coverage of a wider range of equity issues, to include racial, sexuality, and gender issues.				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	60,000	120,000	120,000	120,000	120,000
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	This addition supports the city government's focus on equity and inclusiveness				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	No				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) From revenue re-estimates		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

3/25/2019

CITY COUNCIL SPONSOR:

SEIFELDEIN

CO-SPONSOR:

- | | | |
|----------------------------------------------------|----------------------------------------------------------|------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
THE FAMILY UNIT DUE PROCESS UNIVERSAL REPRESENTATION ACCESS PROGRAM	This appropriation will support preserving the family unit in the City and in line with the Council's inclusivity statement. This program is will foster community integration, which will benefits our residents by promoting the family unit and will add contribution to the economy.				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	150,000	150,000	150,000	150,000	150,000
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?					
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	This program is consistent with an inclusive Alexandria and in line with Council's duty to foster the enforcement of the law. It will reduce the negative impact of the children and family separation policies. The City will apply to grants that may match the City's contribution. A budget memo on this item is posted and provides more details.				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Will appropriate from the unassigned contingency fund as needed per case.		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

3/21/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
2019 SAFER Grant Local Obligation	This operating appropriation will support the City's local obligation in support of the 9 additional firefighter positions proposed in the SAFER grant application approved by Council on March 12, 2019.				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	200,000	200000	600,000	900,000	900,000
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	<p>The approved City Council budget guidance included direction to protect core services and ensure realization of the City's approved Strategic Plan.</p> <p>Protection of the City's public safety is a core service of government and is central to the City's approved Strategic Plan.</p> <p>This initiative continues the City's progress towards achieving four-person minimum staffing by providing sufficient staffing for the remaining 3 engines.</p>				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	These local funds provide the City match for \$1.5M of Federal funding over the 3 year grant period.				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Undesignated Contingency Funds		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

04/10/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☐ ADD ☒ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Inova Alexandria Hospital Uncompensated Care Assessment (Budget Memo 19)	<p>This operating deletion removes 50% of the proposed appropriation for Inova Alexandria Hospital under the current Memorandum of Agreement addressing uncompensated care. The proceeds of this deletion will be transferred to contingent reserves to allow City staff to perform a full assessment of the impact of the recent expansion of Medicaid eligibility (covering the second half of FY 2019) on the uncompensated care expenditures addressed by the Memorandum.</p> <p>The City Manager shall return to Council when that analysis has been complete, with a recommendation for disposition of the remaining funds.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	(\$490,575)				
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	The approved City Council budget guidance directs the staff and Council to focus resources on the core services of government and ensure efficient expenditure of taxpayer resources.				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	TBD				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Inova Alexandria Hospital (Page 12.52)		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input checked="" type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete) Contingent Reserves		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

04/02/2019

CITY COUNCIL SPONSOR:

Councilwoman Pepper

CO-SPONSOR:

- | | | |
|----------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
King Street corridor tree lighting	Extend the King Street corridor tree lighting operations for six additional months from five months to 11 months per year				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	34,800	34,800	34,800	34,800	34,800
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	This would contribute to the City's strategic goals for Distinct and Vibrant Neighborhoods and a Strong Economy				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?					
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Contingent Reserves		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

3/31/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Sheriff Department Pay/Benefit Contingency	<p>This operating budget addition will add \$330,000 to the City Manager's proposed \$720,000 contingent reserve dedication designed to fund VRS modifications for existing and future Sheriff's Department personnel.</p> <p>The new \$1.05M contingent reserve dedication would be to implement compensation and benefits improvements impacting personnel in the Sheriff's Department with an effective date of 10/1/2019. Once recommendations have been reviewed by the Public Safety Work Group (PSWG) this allocation will be brought to Council for release.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	330,000	0	0	0	0
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	<p>The approved City Council budget guidance included direction to protect core services and ensure realization of the City's approved Strategic Plan.</p> <p>Protection of the City's public safety is a core service of government and is central to the City's approved Strategic Plan.</p> <p>This initiative brings Sheriff's Department compensation and benefits more in alignment with comparators.</p>				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	N/A				
If an ADD, how do you plan to offset addition costs?	<input checked="" type="checkbox"/> REVENUE ENHANCEMENT <input type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Execution of new prisoner agreement with US District Court of District of Columbia (Budget Memo 47)		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

4/11/2019

CITY COUNCIL SPONSOR:

Elizabeth Bennett-Parker

CO-SPONSOR:

- | | | |
|----------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
SNAP Outreach & Double-up SNAP Dollar Program Expansion	<p>The Old Town Farmers' Market and the Four Mile Run Market are the only farmers' markets in the City that accept SNAP benefits. Both of those markets also have a program that allows SNAP recipients to double their dollars at the market. This add allows staff to develop a program to: expand both of these features to additional markets in the City, including the West End Farmers' Market; provide support for existing markets; and increase outreach to build awareness of the program at all locations.</p> <p>The current .4FTE within DCHS that oversees this program does not allow enough time to appropriately manage all grant responsibilities and outreach. This add would also create additional capacity to promote and increase participation in the SNAP program. The Alexandria Childhood Obesity Action Network report on hunger found that many Alexandrians eligible for SNAP are not using it. As a result, Alexandria is leaving on the table thousands of federal dollars in food-related benefits for low-income households each year. Each eligible household that does not apply for SNAP presents a serious loss to these households and the economy.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	\$86,260	\$86,260	\$86,260	\$86,260	\$86,260
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	The approved City Council budget guidance and related strategic plan support efforts to ensure that Alexandria is a caring and equitable city that supports thriving children and youth; healthy residents; and provides high-quality social services to eligible residents.				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	This add would allow us to leverage additional dollars from our existing Food Insecurity Nutrition Incentive (FINI) grant. It would also increase the amount of federal dollars in food-related benefits for eligible Alexandria residents.				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Undesignated Contingency Funds		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM**FY 2020 CITY COUNCIL BUDGET PROPOSAL**

DATE:

CITY COUNCIL SPONSOR:

3/31/2019

Wilson/Pepper

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE☒ ADD☐ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
WasteSmart Implementation	<p>This operating allocation will create a new contingent reserve dedication to fund WasteSmart implementation (Budget Memo 13) as contemplated in the City Manager's Alternative Options list.</p> <p>Staff shall return to Council with a plan to allocate these funds to WasteSmart programs, including the new glass drop-off program and other efforts designed to achieve the vision of the approved WasteSmart Strategic Plan.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	102846	102846	102846	102846	102846
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	<p>The approved City Council budget guidance included reference to implementation of the Strategic Plan and approved City plans and programs.</p> <p>Environmental sustainability is core to the City's Strategic Plan and the inspiration for the City's approved Environmental Action Plan and the WasteSmart Strategic Plan.</p>				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	TBD				
If an ADD, how do you plan to offset addition costs?	<input checked="" type="checkbox"/> REVENUE ENHANCEMENT <input type="checkbox"/> DELETE FROM OTHER AREA	Please Explain (i.e. which delete(s) corresponds to this add) Increase of annual Residential Refuse Fee to \$411/billable household			
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION	Please Explain (i.e. which add(s) corresponds to this delete)			

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

3/31/2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input checked="" type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input checked="" type="checkbox"/> Councilman Chapman | <input type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☐ ADD ☒ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Zoning Inspector/Review of Night/Weekend Enforcement Staffing/Policies	<p>This operating budget modification removes the appropriation for the proposed Zoning Inspector for enhanced commercial corridor enforcement.</p> <p>The funds for this position are proposed to be placed in contingent reserves (\$83,595) pending a comprehensive review and report to Council on night/weekend staffing, policies and coordination between the Police Department, Planning Department, Code Administration, Transportation & Environmental Services, Health Department and other impacted departments.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	0				
CAPITAL EXPENDITURE/(SAVINGS)					
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?	The approved City Council guidance urged the funding of efforts that promote and support economic growth and development.				
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	TBD				
If an ADD, how do you plan to offset addition costs?	<input type="checkbox"/> REVENUE ENHANCEMENT <input checked="" type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Deletion of proposed Zoning Inspector (March 13th Budget Worksession): \$83,595		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input checked="" type="checkbox"/> ADD TO FUND BALANCE <input type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete)		

ADD/DELETE FORM

FY 2020 CITY COUNCIL BUDGET PROPOSAL



DATE:

April 5, 2019

CITY COUNCIL SPONSOR:

Wilson

CO-SPONSOR:

- | | | |
|---------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> Mayor Wilson | <input checked="" type="checkbox"/> Councilman Aguirre | <input type="checkbox"/> Councilwoman Pepper |
| <input checked="" type="checkbox"/> Vice Mayor Bennett-Parker | <input type="checkbox"/> Councilman Chapman | <input checked="" type="checkbox"/> Councilman Seifeldein |
| | <input checked="" type="checkbox"/> Councilwoman Jackson | |

REQUESTED CHANGE AFFECTS:

- | | | |
|-----------------------------------------------|----------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> OPERATING | <input type="checkbox"/> CAPITAL | <input type="checkbox"/> BOTH |
|-----------------------------------------------|----------------------------------|-------------------------------|

ADD/DELETE

- ☒ ADD ☒ DELETE

INITIATIVE/PROGRAMMATIC ADJUSTMENT	WHAT IS THE IMPACT OF THIS ADD/DELETE?				
Increase the vehicle personal property tax \$0.33 cents to \$5.33 cents and remove the local vehicle registration fee (formerly the decal fee).	<p>This Add/Delete is a \$0 impact to the General Fund and further advances the progressive nature of the current vehicle personal property tax.</p> <p>City Council has already approved to eliminate the decal fee, but the FY 2020 Proposed Budget retained this revenue as a local vehicle registration fee. This add delete proposes the local vehicle registration fee of \$33 (formerly the decal fee) be repealed, reducing the General Fund revenue by \$3.85M. Furthermore, as outlined in budget question #14, this item proposes to increase the Vehicle Personal Property tax rate from \$5.00 to \$5.33 to offset the revenue lost from the repealed local vehicle registration fee.</p>				
FIVE YEAR IMPACT	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURE/(SAVINGS)	\$0				
CAPITAL EXPENDITURE/(SAVINGS)	N/A				
IS THIS CHANGE ALIGNED WITH THE CITY COUNCIL GUIDANCE? HOW?					
DOES THIS ADD/DELETE IMPACT LEVERAGING OF OTHER FUNDS (I.E. MATCHING FUNDS FROM GRANTS, STATE PROGRAMS OR FEDERAL PROGRAMS)? HOW?	This does not impact the leveraging of other funds.				
If an ADD, how do you plan to offset addition costs?	<input checked="" type="checkbox"/> REVENUE ENHANCEMENT <input type="checkbox"/> DELETE FROM OTHER AREA		Please Explain (i.e. which delete(s) corresponds to this add) Increase the Vehicle Personal Property Tax rate from \$5.00 to \$5.33 to offset the loss of revenue anticipated from the \$33 Local Vehicle Registration Fee.		
If a DELETE, what do you plan to do with the savings?	<input type="checkbox"/> ADD TO OTHER AREA <input type="checkbox"/> ADD TO FUND BALANCE <input checked="" type="checkbox"/> CONTRIBUTE TO TAX/FEE REDUCTION		Please Explain (i.e. which add(s) corresponds to this delete) Repeal the Local Vehicle Registration Fee and thereby reduce the associated \$3.85 million in revenue for the FY 2020 General Fund budget.		

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 16, 2019

Question:

Please provide online comments received regarding Add/Delete proposals. (City Manager Jinks)

Response:

As of April 15, 2019, the following comments were received online regarding the City Council Add/Delete proposals. As a reminder, the public comment period on Add/Delete proposals will be open until Sunday, April 28, 2019 at 11:59pm.

Comment #1

We need to address the capacity issues in our schools. Alexandria has time and time again built multi residential homes in former commercial areas adding hundreds of new residents in places formally having none. Potomac Yard, Pickett Street and soon to be Landmark Mall. You cannot keep developing housing without accounting for schools, nor can you keep accounting for car traffic instead of walkability or bike lanes. I cannot help but notice all the lovely bike lanes in the luxury apartment areas, and lack thereof in older apartments and housing. The accessibility for people in the landmark area is atrocious and I can only hope that in these designs for more multi residential living that there will be a safer way for the less wealthy to walk across 395 now. I also hope you don't continue to use the term EcoCity when all I see is that you will try to convert your own government buildings into greener technology and not help people who already live in these older homes to transition to greener energy. Climate change is real, the timeline is short, and we cannot keep going on with business as usual. This city is more than storm drainage and waste management, though I will say you do a good job with that. So I know you can accomplish what I have mentioned above. In short, I don't think 100k to schools accounts for the capacity issues, and any more development that occurs, and I'm sure it will with Amazon coming, there needs to be a budget for building MORE schools. Not just one, but several. And in the front of your minds always and forever climate change needs to be involved in every aspect of your budgetary needs and in every decision you make. Not 10 years from now, NOW.

Comment #2

I urge that future Budget work sessions be required to have as a agenda item the challenge question: "What among the budget items is a nice but not critically necessary city service?" The objective of the mandatory question is to challenge those participating to consider if a savings can be attained by eliminating or reducing a city service. Either action can be attained by transferring the service to the private sector, effecting a public/private partnership or terminating it altogether. By making the challenge question mandatory, the Budget work sessions will no longer be spend-centric.

Comment #3

The city should propose a school budget that does not have a ceiling that limits how much is really needed at this time. Like all government budgets we do not know the capability based on the ultimate needs. There are many in this community that are will to pay a larger increase in taxes for better schools and education. It is still more cost effective than private school and could be just as competitive.

Comment #4

Reviewing much of the proposed adds/deletes it appears the council has funded most of those adds by reducing contingent reserves rather than prioritizing those adds against other city services. I am deeply concerned that council is limiting the city's ability to address unknown contingencies, not only this year but in future years since many of the propose adds are reoccurring in nature.

The proposed increase of \$100,000 to ACPS seems like an easy candidate to vote against. When compared to an overall operating budget of \$300M a \$100K increase is insignificant compared to city's overall ability to address citywide contingencies.

Early childhood Capacity is an admirable add, but this add should be weighed against other services provided by the city and relative need. Information listed in question 18 shows the only 2 child-hood programs with a wait-list, one is a federally funded program and the other is a state funded program whose waitlist appears to be only a result of inability to purge the list. There is no significant city funded shortfall evident in response provided to budget question #18.

Family Unit Due rights process: What is the direct benefit to City of Alexandria of representing individuals where some estimates indicate that 90% of people arrested by ICE had a criminal conviction? I urge the council to vote no against this add. There are sufficient non-profit resources in Northern VA available for non-criminal immigrants facing deportation proceedings. Voting no on this proposal does not make the council or the city anti-immigrant. This is not a city service that city taxes should be paying for – allow city residents to determine on their own whether they want to contribute privately to non-profit resources.

Additional equity staff – This add seems unnecessary considering the City Manager's proposed budget already includes a new position to restore multi-cultural services position. A need for additional staff can be easily deferred for a year and provide ample time to determine if resources from existing personnel are sufficient if reprioritized to address any needs identified.

SAFER Grant Local Obligation – While I am generally against targeting the contingent reserve funds, I would prefer much harder look throughout the budget first, I somewhat understand value generated by this through matching grants. However, I am concerned about the long-term add of this obligation as it grows to \$900K per year in FY2023. While there may appear to be sufficient contingent reserves in FY2020 what is the long-term impact to the contingent reserve in FY2023 and ability to fund this without increasing taxes? I don't believe that has been properly addressed and this is why I urge the council to

propose deletions in other areas rather than take the easy approach of deleting from contingent reserves.

Inova Alexandria Deletion – I support this deletion by the City Council but would like to highlight the purpose listed on that deletion “The approved City Council budget guidance directs the staff and Council to focus resources on the core services of government and ensure efficient expenditure of taxpayer resources.” In relation to the family due rights proposal – is that proposal a core service of the City of Alexandria? My perspective it is not and I want to reinforce my previous opposition to the family due rights proposal.

Overall I am glad to see that there aren't a significant number of fiscal additions that would necessitate tax increases. I urge the council to hold firm and NOT raise real estate or property taxes (excluding the property tax increase resulting from fee elimination as that is a direct offset). As you continue your three-year term, I would also urge you to look at opportunities to facilitate economic growth that widen the tax base while reducing the tax burden on businesses and residents.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 19, 2019

Question: Please provide online comments received regarding Add/Delete proposals. (City Manager Jinks)

Response:

As of April 18, 2019 at 11:00am, the following comments were received online regarding the City Council Add/Delete proposals. As a reminder, the public comment period on Add/Delete proposals will be open until Sunday, April 28, 2019 at 11:59pm.

Comment #5

Regarding budget figures, how are the amounts determined? Are they based on expenditures estimated based upon planned contracts and grants under full and open competition or less than full and open or sole source. Which line items? How do citizen know from the reading the budget to what extent of competition takes place? Clearly sole source would be much more expensive then full and open. What visibility do citizens have when decisions are made for less than full and open competition for contracted and granted work in the budget especially when actual budget exceeds planned budget? Can the city post a notice when the city proceeds with less than full and open competition and rational for the decision?

Comment #6

I am interested in seeing benchmarking data comparing Alexandria's budget and its major components to other cities of similar situation and size. That would help me place in context whether, for example, it is reasonable to have 108.5 FTEs in the City's Finance Department. I know this is a best practice.

Comment #7

Stop wasting money on affordable housing. You keep raising property assessments and tax rates so that those of us who've worked to live here can keep paying more and more to support the criminals who keep shooting up our neighborhoods.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 22, 2019

Question: Please provide online comments received regarding Add/Delete proposals. (City Manager Jinks)

Response:

On Thursday, April 18, *FYI Alexandria*, the City's official resident newsletter, was released to the community. The first item of this edition requested community input on final budget proposals.

As of April 22, 2019, at 9:00am, the following comments were received online regarding the City Council Add/Delete proposals. As a reminder, the public comment period on Add/Delete proposals will be open until Sunday, April 28, 2019 at 11:59pm.

Comment #8

I fully support the proposed budget increase to implement WasteSmart and the Environmental Action Plan. I also support the hire of the additional equity staff. I also support the King Street Corridor Tree Lighting Project and believe this will support our tourism economy for the City as long as the City is able to still do proper tree maintenance. I also support the SNAP expansion benefits at the farmers' markets. I am a City resident living in 22302.

Comment #9

My understanding is the Council recently received a request for additional funding for DASH Operators. I understand there is an emotional aspect of wanting to provide better pay for our city employees. Ensuring they are properly and fairly compensated is important and we should ensure that is happening. However, I urge the council to defer any consideration late in the budget cycle to increase the DASH operating budget. The increased pay currently budgeted, if what was reported in Alexandria Times is accurate, represents a 2.5% increase which is above inflation. Rather than increase resources, the city should examine which routes need to be curtailed and adjusted to meet current public transportation demands. As an example, DASH continues to run bus services to and through the Landmark Mall property (AT7). That same route overlaps multiple metro stations and bus routes; this is a glaring example of DASH's inefficient operations. We need to eliminate DASH's inefficiencies and leverage those resources to fairly compensate DASH employees to provide cost-effective service to our community.

Comment #10

I would prefer to keep the annual scheduled spring cleanup because it gives me a goal and deadline to clean up my act.

Comment #11

I would love to see the City Manager and Council invest in the City's employees and designate funds toward the improvement of employee satisfaction and engagement. Is it realistic to expect department heads to designate funds for this while managing budget cuts? Their objective is to maintain services with minimum job reductions, leaving the complexities of organizational change (i.e. engagement) to volunteer committees. If funds were set aside for this purpose, separate from the budget, then maybe we could finally make sustainable changes toward becoming a more engaged workforce and earn a

place as one of the "best places to work". We will not obtain sustainable changes with employee satisfaction and engagement without dedicated funds and qualified people in place who can manage this cultural shift. Volunteer committees have their place, however, cultural change requires dedicated and skilled positions for program management, oversight and implementation. I've work for the City almost 16 years, and own a home here. I'd like to see more best practices pertaining our approaches to managing and investing in our greatest asset, our employees. We have a much to be desired and an uphill climb if the goal is "best place to work".

Comment #12

I write on behalf of The Campagna Center and Smart Beginnings Alexandria, an Early Care & Education Workgroup Initiative (ECEWG) to express support for request to make \$200K in additional resources to expand access to early care and education in Alexandria. The Campagna Center is committed to expanding the number of children served using a model that combined public and private (i.e. fees) funding to increase the number of children served through their early childhood programs. Alexandria's mixed delivery system has been instrumental to the city's ability to make preschool education a reality for children living in families where income falls between 100 and 200 percent of poverty. Our combined efforts through the ECEWG to improve coordination across several programs and align curriculum have resulted in important system improvements designed to support school readiness. Thank you for prioritizing the needs of young children as a part of your overall strategy to close the achievement gap.

Comment #13

The Commission for Women supports the expansion of proposed positions on Racial and Social Equity to include Gender. Thus, we also support the Additional Equity position included in the Add/Delete Process. Our 2018 report on the Status of Women indicates that gender must be specifically included in City decision making, to include budgeting and planning, to ensure that the needs of women are taken into account and addressed.

City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers
April 23, 2019

Question: Please provide online comments received regarding Add/Delete proposals. (City Manager Jinks)

Response: On Thursday, April 18, FYI Alexandria, the City's official resident newsletter, was released to the community. The first item of this edition requested community input on final budget proposals.

As of April 23, 2019, at 9:00am, the following comments were received online regarding the City Council Add/Delete proposals. As a reminder, the public comment period on Add/Delete proposals will be open until Sunday, April 28, 2019 at 11:59pm.

Comment #14

As a member of Smart Beginnings Alexandria: an Early Care & Education Workgroup initiative, I support the Early Childhood Capacity Expansion proposal related to Budget Question #18. There has been significant progress building an early childhood system for Alexandria thanks to the efforts of many partners in the City, but ultimately additional funding is required to expand capacity and provide quality services to more eligible children and their families. I also appreciate the language in the proposal recommending that staff prioritize investments that leverage available, external resources. Thank you for your longstanding commitment to early childhood and for proposing this increased investment.

Comment #15

Dear Mayor Wilson, Vice Mayor Bennett-Parker and City Councilors,

The Child & Family Network Centers (CFNC), a member of Smart Beginnings Alexandria and the Early Care and Education Workgroup, applauds your efforts to increase funding for early childhood education in the FY2020 Alexandria City budget. The increased funding is an important step toward ensuring every Alexandria child enters school ready to learn. We commend the effort of the Council and encourage them to find the funds to support this important budget line item. Nobel Laureate James Heckman demonstrated that every dollar invested in high-quality early care and development for children under age five produces a 13 percent return on investment compounded annually. As the city's largest private provider of the Virginia Preschool initiative (VPI) and serving 138 four-year-old children in Arlandria and the West End, we see firsthand the difference access to high-quality early care and education can make for low-income children in our community. CFNC praises the Council for taking action now to make early childhood care and education a priority. We call on our city leaders to increase your commitment to Alexandria's children and families via the 2020 city budget.

We know as a community we have more work to do as there is still a large number of children who enter Alexandria kindergarten without a preschool education. Our challenges to expanding capacity are the lack of appropriate and affordable space and the need for matching funding. The actual per child costs to serve a child in a CFNC VPI classroom is somewhere between \$12,000 to \$13,000. VPI along with the City provide about 52% of those costs and CFNC fundraises the other half of the costs to educate each child in our high-quality program. CFNC is dedicated to our partnership with the City and continuing our investment in early education in Alexandria through fundraising events, private foundation grants and other fundraising initiatives. CFNC is committed to working together to find the

space and the money to make sure that every child in Alexandria enters school ready to succeed. In fact, CFNC recently secured a 2395 square foot space in the West End on S. Whiting Street with space enough for three classrooms. However, without matching funds from the City we are not able to serve more children over our current capacity. We have the ability to fundraise about 50% of the costs of educating a child but without the matching funding from the city and state, we do not have the additional funds needed to expand capacity. So, we thank you for taking this important step now to increase City funding in order to reach more children, because investing in early education is an investment in our community and our future. Our organization appreciates the thoughtful efforts taken by Council and we urge every City Councilor to vote in support of the additional funding so more children in our community will be prepared to enter kindergarten ready to learn.

Comment #16

As a member of the Smart Beginnings Alexandria, Early Care and Education Workgroup, I would like to express my support for the additional proposed \$200,000 to the FY2020 budget for Early Childhood Capacity Expansion. Our collaborative work as a group over the last couple of years has been particularly meaningful to the vulnerable families that we interface with via our Learn & PlayGroup Program - families who currently are not easily accessing early childhood services. They have benefited greatly from our cross agency communication and information that is seamlessly and easily disseminated, responsive to culturally diverse populations, and presented with dignity.

**City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers**

April 24, 2019

Question: Please provide online comments received regarding Add/Delete proposals. (City Manager Jinks)

Response: On Thursday, April 18, FYI Alexandria, the City's official resident newsletter, was released to the community. The first item of this edition requested community input on final budget proposals.

As of April 24, 2019, at Noon, the following comments were received online regarding the City Council Add/Delete proposals. As a reminder, the public comment period on Add/Delete proposals will be open until Sunday, April 28, 2019 at 11:59pm.

Comment #17

ALIVE! is a nonprofit with a mission to provide high-quality yet affordable early care & education for the children of Alexandria's low-income working families. We want to express our support for the Early Childhood Capacity Expansion. We thank you for the local investment in the child care subsidy program & the Scholarship for Fours. We urge you to make this a priority again in the Fiscal Year 2020 City Budget. We see first hand the difference these investments have made, and also see how hard it is to lose access to reliable, high quality child care & early learning experiences that will prepare for school & life. We are a member of "Smart Beginnings, an Early Care & Education Workgroup Initiative". Our families benefit from VPI, Scholars for 4 and local Child Care Subsidy Fee System.

Comment #18


I do not support increasing the personal property tax rate to pay for anything. The manager proposed a budget that did not require an increase in taxes. Find the necessary cuts to keep our taxes down especially now that we cannot claim them on our federal tax returns. I do not support an increased refuse fee on residents to pay for glass recycling. The cost should be offset by reduced fees from glass being included in current recycling or trash. I do not support doing away with the spring clean up day. This is one service that residents clearly use and appreciate. It allows people to pick thru others discards and recyclers to go around and take things when everyone puts stuff out on the same day. And I know the city will start charging us to do extra pickups for this even if that is not currently being advertised. I also do not support increasing the personal property tax in place of a vehicle decal. Where are the savings from no longer having to pay for the decals and mail them? How can you say this is revenue neutral?"

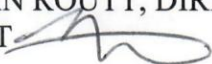
City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 24, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET 

SUBJECT: BUDGET MEMO #76: REVISED ADD/DELETE LIST FOR CONSIDERATION IN THE FINAL ADD/DELETE WORK SESSION

The purpose of this memorandum is to provide a revised add/delete list based on the discussions from the Preliminary Add/Delete Work Session held on April 23, 2019. This list will be the basis for the discussions at the Final Add/Delete Work Session to be held on April 29.

The "revised possible consensus" column includes items with majority Council support (four or more members) based on the discussions at the Preliminary Add/Delete Work Session. There are fifteen eligible items for Add/Delete and all items have the support of four or more members. The possible consensus column represents a \$243,455 shortfall and therefore all items cannot be funded at the proposed amounts.

At the conclusion of the Preliminary Add/Delete Work Session, two proposals to balance the budget were presented by Mayor Wilson and Councilman Aguirre. Mayor Wilson's proposal modifies the following expenditure items and generates a surplus of \$31,545.

Expenditure Item	Full Funding Amount	Alternate Proposal	Change
ACPS Additional Funding	\$100,000	\$0	(\$100,000)
C-PACE year-one start-up contingency	\$125,000	\$100,000	(\$25,000)
Equity staff contingency	\$60,000	\$0	(\$60,000)
Family unit due process universal representation access program	\$150,000	\$100,000	(\$50,000)
King Street Corridor tree lighting	\$34,800	\$19,800	(\$15,000)
SNAP outreach and double-dollar SNAP dollar program expansion	\$86,260	\$61,260	(\$25,000)

Councilman Aguirre's proposal modifies the following expenditure items and balances to \$0 by deleting funding for C-PACE, Equity staff contingency and SNAP outreach and double-dollar SNAP program expansion and adding an additional \$152,805 to the ACPS additional funding proposal.

Expenditure Item	Full Funding Amount	Alternate Proposal	Change
ACPS Additional Funding	\$100,000	\$252,805	\$152,805
C-PACE year-one start-up contingency	\$125,000	\$0	(\$125,000)
Early childhood capacity expansion contingency	\$200,000	\$125,000	(\$75,000)
Equity staff contingency	\$60,000	\$0	(\$60,000)
Family unit due process universal representation access program	\$150,000	\$100,000	(\$50,000)
SNAP outreach and double-dollar SNAP dollar program expansion	\$86,260	\$0	(\$86,260)

Outlined below are the next steps in the process for adopting the FY 2020 budget:

- 1) On Monday, April 29, 2019 at 7:00pm, City Council will make its final decisions on the FY 2020 Budget at the Final Add/Delete Work Session.
- 2) On Tuesday, April 30, 2019, staff will make public the final decisions of the Final Add/Delete Work Session.
- 3) On Wednesday, May 1, 2019 at 7:00pm, City Council will approve the FY 2020 Operating Budget and FY 2020-2029 Capital Improvement Program.

If any member of the public would like to comment on this revised add/delete list, comments may be [submitted online](#) through April 28, 2019.

ATTACHMENTS:

Attachment 1 – FY 2020 Final Add/Delete List

Attachment 2 – Multi-year Add/Delete Impacts

	Proposed Amount	Revised Possible Consensus	Mayor Wilson Option 1	Councilman Aguirre Option 2
<u>Revenue</u>				
Revenue re-estimates	162,072	162,072	162,072	162,072
Local vehicle registration fee repeal	(3,850,000)	(3,850,000)	(3,850,000)	(3,850,000)
Personal property tax rate increase	3,850,000	3,850,000	3,850,000	3,850,000
US District Court of DC prisoner agreement	330,000	330,000	330,000	330,000
Residential refuse collection fee	102,846	102,846	102,846	102,846
Total Revenue Changes	594,918	594,918	594,918	594,918
<u>Expenditures</u>				
Technical adjustments	(70,533)	(70,533)	(70,533)	(70,533)
Change in undesignated contingent reserve	(500,000)	(500,000)	(500,000)	(500,000)
ACPS additional funding	100,000	100,000	-	252,805
ACPS operating transfer	(708,750)	(708,750)	(708,750)	(708,750)
ACPS textbook capital transfer	708,750	708,750	708,750	708,750
C-PACE year-one start-up contingency	125,000	125,000	100,000	-
Early childhood capacity expansion contingency	200,000	200,000	200,000	125,000
Environmental Action Plan education and outreach implementation	20,000	20,000	20,000	20,000
Equity staff contingency	60,000	60,000	-	-
Family unit due process universal representation access program	150,000	150,000	100,000	100,000
Fire staffing SAFER grant local obligation	200,000	200,000	200,000	200,000
Inova Alexandria Hospital appropriation	(490,575)	(490,575)	(490,575)	(490,575)
Inova Alexandria Hospital uncompensated care assessment contingency	490,575	490,575	490,575	490,575
King Street Corridor tree lighting	34,800	34,800	19,800	34,800
Sheriff's Department pay/benefit contingency	330,000	330,000	330,000	330,000
SNAP outreach and double-dollar SNAP dollar program expansion	86,260	86,260	61,260	-
WasteSmart implementation contingency	102,846	102,846	102,846	102,846
Zoning Inspector	(83,595)	(83,595)	(83,595)	(83,595)
Zoning Inspector/Review of night/weekend enforcement staffing/policies	83,595	83,595	83,595	83,595
Total Expenditure Changes	838,373	838,373	563,373	594,918
Surplus/(Shortfall)	(243,455)	(243,455)	31,545	-

<u>Revenue</u>	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue re-estimates	162,072	\$162,072	\$162,072	\$162,072	\$162,072
Local vehicle registration fee repeal	(3,850,000)	(\$3,850,000)	(\$3,850,000)	(\$3,850,000)	(\$3,850,000)
Personal property tax rate increase	3,850,000	\$3,850,000	\$3,850,000	\$3,850,000	\$3,850,000
US District Court of DC prisoner agreement	330,000	\$330,000	\$330,000	\$330,000	\$330,000
Residential refuse collection fee	102,846	\$102,846	\$102,846	\$102,846	\$102,846
Total Revenue Changes	594,918	594,918	594,918	594,918	594,918
<u>Expenditures</u>					
Technical adjustments	(70,533)	(70,533)	(70,533)	(70,533)	(70,533)
Change in undesignated contingent reserve	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
ACPS additional funding	100,000	100,000	100,000	100,000	100,000
ACPS operating transfer	(708,750)	(708,750)	(708,750)	(708,750)	(708,750)
ACPS textbook capital transfer	708,750	708,750	708,750	708,750	708,750
C-PACE year-one start-up contingency	125,000	-	-	-	-
Early childhood capacity expansion contingency	200,000	200,000	200,000	200,000	200,000
Environmental Action Plan education and outreach implementation	20,000	20,000	20,000	20,000	20,000
Equity staff contingency	60,000	120,000	120,000	120,000	120,000
Family unit due process universal representation access program	150,000	150,000	150,000	150,000	150,000
Fire staffing SAFER grant local obligation	200,000	200,000	600,000	900,000	900,000
Inova Alexandria Hospital appropriation	(490,575)	(490,575)	(490,575)	(490,575)	(490,575)
Inova Alexandria Hospital uncompensated care assessment contingency	490,575	490,575	490,575	490,575	490,575
King Street Corridor tree lighting	34,800	34,800	34,800	34,800	34,800
Sheriff's Department pay/benefit contingency	330,000	440,000	440,000	440,000	440,000
SNAP outreach and double-dollar SNAP dollar program expansion	86,260	86,260	86,260	86,260	86,260
WasteSmart implementation contingency	102,846	102,846	102,846	102,846	102,846
Zoning Inspector	(83,595)	(83,595)	(83,595)	(83,595)	(83,595)
Zoning Inspector/Review of night/weekend enforcement staffing/policies	83,595	83,595	83,595	83,595	83,595
Total Expenditure Changes	838,373	883,373	1,283,373	1,583,373	1,583,373
Surplus/(Shortfall)	(243,455)	(288,455)	(688,455)	(988,455)	(988,455)

**City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers**

April 29, 2019

Question: Please provide details on the SNAP Double Dollar program questions listed below.

Response:

1. Question: How many staff are working on SNAP?

Response: 19 staff work on SNAP/Medicaid caseloads.

2. Question: What is the percentage of eligible people receiving SNAP?

Response: 55% of the projected Alexandria eligible recipients receive SNAP.

3. Question: Distribution of clients on SNAP on the West End

Response: 63.3% of SNAP recipients live in the following zip codes located in the West End– 22311, 22312, 22304, and 22302.

4. Question: Location of SNAP recipients (heat map if possible).

Response: A heat map with SNAP specific data is not available at this time. However, the data above is consistent with the attached heat map of the locations of all DCHS clients (refer to Attachment 1).

5. Question: Relative percentage or numbers of SNAP Recipients along Beauregard vs immediate vicinity of Cameron Station

Response: 17% of SNAP recipients share the same zip code as Beauregard St, and 34% in the Cameron Station zip code.

6. Question: Relationship with the Community Food Works

Response: Community Foodworks partners with the Alexandria Old Town Farmers' Market to support Virginia Fresh Match activities including training, reporting, marketing, evaluation, and disbursement of FINI funds.

7. Question: Ideas for supporting Southern Towers expansion

Response: Staff could provide information to the current vendor on the process to become a Food Nutrition Services authorized vendor and secure the Point of Service device. Staff could also provide information and connect the vendor to known avenues to increase market vendors and food choices. If the vendor was approved by FNS, staff would connect vendor with Community Foodworks for inclusion in the FINI grant and assist in securing and training volunteers to set-up,

conduct transactions, and fiscal reporting. The market would be included in marketing information and the Double Dollars fundraising efforts.

8. **Question: What is a typical distance to walk for a farmers market (ie watershed for walking).**

Response: Farmer's Markets are located in Old Town North, Old Town, West End, Delray Four Mile Run and Southern Towers. Based on the locations of the farmer's markets, it is estimated that the typical walking distance is half a mile to 1 mile.

9. **Question: Who is most likely to use farmers market due to location**

Response: SNAP recipients residing in the 22304 & 22311 zip code are more likely to participate at the West End Farmer's Market.

10. **Question: Break down of SNAP double dollar usage per each site for previous year.**

Response: DCHS only has SNAP Double Dollars program data from the Old Town Farmer's Market.

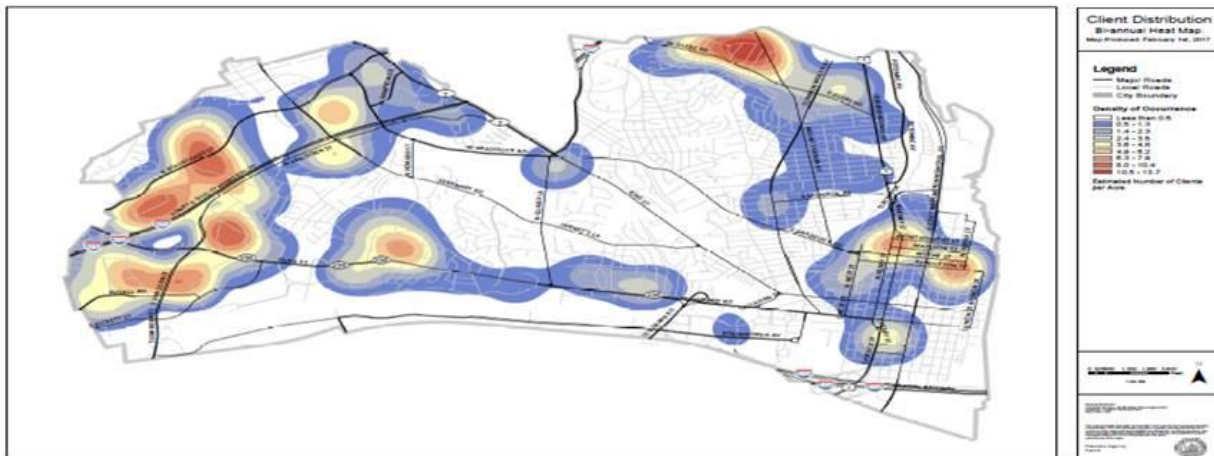
Total SNAP and Double Dollars spent:

FY2017 \$16,584

FY2018 \$11,700

ATTACHMENTS

Attachment 1 – DCHS Programs Heat Map



City of Alexandria, Virginia
FY 2020 Proposed Operating Budget & CIP
Budget Questions & Answers

April 29, 2019

Question: Please provide online comments received regarding Add/Delete proposals.

Response: On Thursday, April 18, FYI Alexandria, the City's official resident newsletter, was released to the community. The first item of this edition requested community input on final budget proposals.

As of April 29, 2019, at 10am, the following comments were received online regarding the City Council Add/Delete proposals. The public comment period on Add/Delete proposals has now been closed.

Comment # 19

Dear Mayor Wilson and Members of the City Council:

I am writing to express my support for funding the expansion of outreach for the Supplemental Nutrition Assistance Program (SNAP) and the double-dollar SNAP program and urge you to oppose any budget cuts that could weaken access to critical nutrition programs.

Having reliable access to enough food is essential to long-term health and well-being. SNAP (formerly known as food stamps) is proven and effective at helping individuals, families, and seniors avoid hunger and afford nutritious foods. As the cost of living in our city continues to rise and more and more Alexandrians struggle to afford their housing, it is imperative that we maintain a strong nutritional safety net so that residents do not have to choose between paying their rent or mortgage and feeding their families.

The deployment of local outreach dollars not only helps individuals and families in Alexandria access the food they need to thrive but can unlock additional resources at the state level to protect and strengthen the overall function of the program. State SNAP agencies receive federal reimbursement for up to 50 percent of the administrative costs for outreach. Typically, the state agency leverages local spending to unlock a larger reimbursement, which can be used to support future technical assistance for localities, scale promising practices, and expand the resources available to help cities and counties across the Commonwealth promote SNAP.

The request for funding that is before you is about more than expanding a program at a few farmer's markets. It is an opportunity to lay the foundation for a more robust city-wide SNAP outreach campaign. Failing to expand funding for outreach and additional incentives for the double-dollar SNAP program based on the location of existing farmer's markets ignores the complex realities of SNAP participation in our city and the lives of the people that depend on SNAP to put food on the table.

According to Hunger Free Alexandria, thousands of people in our community who are SNAP-eligible are not receiving benefits. In the wake of the Trump Administration's hateful and racist rhetoric on immigration and poverty, there are numerous misconceptions about program eligibility and stigma about receiving food assistance, which threaten to increase the number of people who are food insecure. Additional funding for outreach raises awareness about the SNAP program and connects eligible residents to this important resource, which can be used at food retailers across the City. Now

more than ever, the City of Alexandria needs funding to support a robust outreach campaign that connects residents with the facts about SNAP.

The double-dollar SNAP program not only benefits low-income families, it stimulates our local economy. Every \$1 in SNAP benefits generates \$1.70 in local economic activity, which is essential to create the jobs and opportunities to help move our lower-income residents to greater economic security.

While it is true that there is a higher concentration of SNAP recipients on the West End, there are pockets of need in all areas of our city and many people are just one job loss or one illness away from needing SNAP to help feed their families. An approach to addressing hunger and food insecurity that assumes there are not SNAP-eligible individuals who live or work near the Old Town Farmer's market undercounts the thousands of individuals not currently receiving benefits. As a volunteer for Meals on Wheels and other hunger-related volunteer organizations, I have made countless trips to high rises in Old Town with large concentrations of seniors who are struggling to afford the nutritious food they need to age healthfully in place. Increasing their purchasing power through the double-dollar SNAP program at nearby markets can help them purchase more of the fruits and vegetables they need.

One of the primary benefits of SNAP is that the benefit moves with the recipient. Benefits are loaded onto a payment card — much like a debit card — and can be used at most food retailers. Having the double-dollar program at markets throughout the city and not just in areas of concentrated poverty can provide important access points for lower-wage workers who commute into other areas of the City to support the tourism and hospitality industries that Alexandria depends on. Expanding the double-dollar program at existing markets can increase choice and opportunities for residents to utilize their benefits throughout the city as they commute to work and/or other activities.

While I agree that City resources should be targeted to communities with the greatest need, the solution to enhancing our nutritional safety net is not to cut resources. The right path forward is to protect and strengthen existing programs while expanding access across the city to ensure that all communities are served. If we do not invest in existing infrastructure we risk weakening the effectiveness of current programs and miss opportunities to connect eligible residents to the program.

I recommend that the City:

- Fund fully the expansion of outreach for the Supplemental Nutrition Assistance Program (SNAP) and the double-dollar SNAP program
- Ensure that primary focus of outreach spending is to promote the nutrition and economic benefits of the SNAP program
- Build the capacity of farmer's markets that serve a high percentage of SNAP recipients to deploy the program

As you have stated previously, the City needs a budget that meets our community's needs and reflects our values. The SNAP program is considered the nation's first defense against hunger and is a powerful tool that can help advance Alexandria's commitment to thriving children and youth, a strong economy, and inclusivity by ensuring all residents have the nutrition they need to be healthy and thrive.

The local effectiveness of the SNAP program depends on the continued support of elected officials like you. Now is a time to protect and strengthen SNAP, expand access, and look for additional opportunities


to ensure that all residents have access to the nutrition they need to thrive. I urge you pass a budget that fully funds SNAP outreach and double-dollar SNAP program expansion.

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 30, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: BUDGET MEMO #79: SUMMARY OF DECISIONS FROM FINAL ADD/DELETE WORK SESSION

The attached worksheet reflects the decisions made by City Council at the Monday, April 29, 2019, final add/delete budget work session. As detailed in the table below, the result of these decisions is a General Fund budget of \$761,542,268 to be adopted at the Wednesday, May 1, 2019 special legislative meeting. A full list of all Add/Delete decisions can be found in Attachment 1, FY 2020 Final Add/Delete Worksheet.

General Fund

General Fund expenditures increase \$13.1 million or 1.75% over the FY 2019 Approved Budget and \$0.5 million compared to the City Manager's FY 2020 Proposed Budget. The \$0.5 million increase in City Operations includes additional funding for the following items: an additional \$77,605 in the ACPS operating transfer, \$200,000 for the Staffing for Adequate Fire and Emergency Response (SAFER) local grant match, and \$17,400 for an additional three months of King Street corridor lighting.

	FY 2019 Approved	FY 2020 Proposed	Add/Delete	FY 2020 Approved	\$ Change FY19 - FY20	% Change FY19- FY20
City Operations	\$385,181,112	\$387,500,165	\$414,467	\$387,914,632	\$2,733,520	0.71%
City Debt Service	\$42,626,096	\$37,863,075	\$0	\$37,863,075	-\$4,763,021	-11.17%
City Subtotal	\$427,807,208	\$425,363,240	\$414,467	\$425,777,707	-\$2,029,501	-0.47%
ACPS Transfer	\$223,829,302	\$232,300,641	-\$631,145	\$231,669,496	\$7,840,194	3.50%
ACPS Debt Service	\$28,924,085	\$28,112,251	\$0	\$28,112,251	-\$811,834	-2.81%
ACPS Total	\$252,753,387	\$260,412,892	-\$631,145	\$259,781,747	\$7,028,360	2.78%
Transit Services	\$29,649,690	\$34,920,671	\$0	\$34,920,671	\$5,270,981	17.78%
General Cash Capital	\$38,216,651	\$40,353,393	\$708,750	\$41,062,143	\$2,845,492	7.45%
Operating Total	\$748,426,936	\$761,050,196	\$492,072	\$761,542,268	\$13,115,332	1.75%

Final Add/Delete decisions includes funding for the following items in Contingent Reserves: \$75,000 for C-PACE startup costs, \$200,000 for early childhood capacity expansion, \$100,000 for a universal representation access program, \$62,600 for SNAP outreach and the double dollar SNAP dollar program expansion, and \$330,000 for the Sheriff's Department pay and benefit contingency. Funding for one half the of INOVA Alexandria Hospital (\$490,575) allocation and a new Zoning Inspector in Planning and Zoning (\$83,595) are moved to Contingent Reserves for further review. In all Contingent Reserve allocations staff will prepare a docket item with recommendations for Council consideration.

Special Revenue Funds

Final Add/Delete decisions increase the Residential Refuse fee from \$406 in the City Manager's Proposed Budget to \$411 annually. The additional \$5.00 increase will generate \$102,846 for WasteSmart initiatives. This item will also be held in contingency until City Council receives and approves a docket item with recommendation for implementation.

Capital Improvement Program (CIP)

Additionally, the final add/delete work session decisions have an impact on the Capital Budget. As detailed in the table below, the result of the decisions is an FY 2020 Capital Budget of \$140.0 million, an increase of \$0.9 million or 0.6% from the City Manager's Proposed CIP. This increase reflects the transfer of \$708,750 from the ACPS operating transfer to the CIP for textbook replacement. Also included are two technical adjustments: \$100,000 transfer from the equipment replacement fund balance to the Energy Management CIP project for the community electric vehicle infrastructure strategy as well as an increase of \$46,200 in the transfer from the Affordable Housing Fund to the CIP to reflect the additional portion of the restaurant meals tax revenue re-estimate.

The FY 2020 to 2029 CIP totals \$1.6 billion, an increase of \$0.9 million from the City Manager's Proposed CIP. This increase assumes the funding for year one of the ACPS text book replacement schedule and staff will develop a future year plan next year. The FY 2020 Capital Budget and FY 2020 to 2029 Capital Improvement Program will also be adopted at the Wednesday, May 1, 2019 special legislative meeting.

Capital Improvement Program	FY 2020 Only			FY 2020 - 2029 CIP		
CIP Section	FY 2020 Proposed	Add/Delete	FY 2020 Approved	FY 2020 - 2029 Proposed	Add/Delete	FY 2020 - 2029 Approved
ACPS	\$ 36.1 M	\$ 0.7 M	\$ 36.8 M	\$ 447.6 M	\$ 0.7 M	\$ 448.3 M
CIP Development & Implementation Staff	\$ 6.2 M	-	\$ 6.2 M	\$ 77.8 M	-	\$ 77.8 M
Community Development	\$ 10.8 M	\$ 0.1 M	\$ 10.9 M	\$ 145.5 M	\$ 0.1 M	\$ 145.6 M
IT Plan	\$ 8.1 M	-	\$ 8.1 M	\$ 64.6 M	-	\$ 64.6 M
Other Regional Contributions	\$ 0.8 M	-	\$ 0.8 M	\$ 8.9 M	-	\$ 8.9 M
Public Buildings	\$ 14.1 M	\$ 0.1 M	\$ 14.2 M	\$ 150.2 M	\$ 0.1 M	\$ 150.3 M
Recreation & Parks	\$ 7.8 M	-	\$ 7.8 M	\$ 86.7 M	-	\$ 86.7 M
Sanitary Sewers	\$ 2.3 M	-	\$ 2.3 M	\$ 65.2 M	-	\$ 65.2 M
Stormwater Management	\$ 6.0 M	-	\$ 6.0 M	\$ 71.0 M	-	\$ 71.0 M
Transportation	\$ 46.9 M	-	\$ 46.9 M	\$ 380.4 M	-	\$ 380.4 M
Reservation of Bond Capacity/Cash Capital for City/School Facilities	-	-	-	\$ 119.1 M	-	\$ 119.1 M
TOTAL CIP	\$ 139.1 M	\$ 0.9 M	\$ 140.0 M	\$ 1,617.1 M	\$ 0.9 M	\$ 1,617.9 M

ATTACHMENTS:

Attachment 1 – FY 2020 Final Add/Delete Worksheet

	Proposed Amount	Final Decisions of Add/Delete
<u>Revenue</u>		
Revenue re-estimates	162,072	162,072
Local vehicle registration fee repeal	(3,850,000)	(3,850,000)
Personal property tax rate increase	3,850,000	3,850,000
US District Court of DC prisoner agreement	330,000	330,000
Residential refuse collection fee	102,846	102,846
Total Revenue Changes	594,918	594,918
<u>Expenditures</u>		
Technical adjustments	(70,533)	(70,533)
Change in undesignated contingent reserve	(500,000)	(500,000)
ACPS additional funding	100,000	77,605
ACPS operating transfer	(708,750)	(708,750)
ACPS textbook capital transfer	708,750	708,750
C-PACE year-one start-up contingency	125,000	75,000
Early childhood capacity expansion contingency	200,000	200,000
Environmental Action Plan education and outreach implementation	20,000	-
Equity staff contingency	60,000	-
Family unit due process universal representation access program	150,000	100,000
Fire staffing SAFER grant local obligation	200,000	200,000
Inova Alexandria Hospital appropriation	(490,575)	(490,575)
Inova Alexandria Hospital uncompensated care assessment contingency	490,575	490,575
King Street Corridor tree lighting	34,800	17,400
Sheriff's Department pay/benefit contingency	330,000	330,000
SNAP outreach and double-dollar SNAP dollar program expansion	86,260	62,600
WasteSmart implementation contingency	102,846	102,846
Zoning Inspector	(83,595)	(83,595)
Zoning Inspector/Review of night/weekend enforcement staffing/policies	83,595	83,595
Total Expenditure Changes	838,373	594,918
Surplus/(Shortfall)	(243,455)	-